

# HOUSE OF REPRESENTATIVES—Tuesday, August 16, 1994

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore [Mr. KLINK].

## DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,  
August 16, 1994.

I hereby designate the Honorable RON KLINK to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,  
Speaker of the House of Representatives.

## MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of February 11, 1994, and June 10, 1994, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates.

The Chair will alternate recognition between the parties, with each party limited to 30 minutes and each Member other than the majority and minority leaders limited to 5 minutes.

The Chair recognizes the gentleman from California [Mr. MOORHEAD] for 5 minutes.

## THE CRIME BILL

Mr. MOORHEAD. Mr. Speaker, I rise today to urge the House to vote against the Clinton crime bill.

We need a crime bill in America very badly, but we do not need a bill that is more friendly to the criminal than to their victims in the United States. The American people will not accept a crime bill that protects criminal rights more than it protects victim's rights.

Nearly one-third of this \$33 billion bill is to pay for over 30 new social spending programs. More Government programs are not the answer.

Our criminal justice system has become a revolving door, and this bill fails to address the loopholes and inadequacies that continue to allow violent criminals to operate freely on our streets after serving only a portion of their sentence. In fact, it greases the revolving-door system by relaxing mandatory minimum sentences and watering down truth-in-sentencing requirements for prison grants.

There are many difficulties with this legislation. There are some fine points in it that I would like to see enacted

into law such as building up the Boarder Patrol and doing something about some of the death penalty issues, but in this bill, we have approximately 60 new death penalties, and I wonder, when you go into this particular subject that deeply, whether we are actually going to see more people executed or only more delays and more opposition from the American people.

The people we need to bring to justice are those people that are out willfully killing our citizens on the streets with thousands of people killed each year throughout the United States.

We need to bring those people to justice and to bring them to justice as rapidly as we can. I know that during this debate many people have been misled about what this legislation does. The legislation provides that we have social programs, midnight basketball for areas that have 2 percent or more HIV-positive people, it provides some social programs that perhaps in the long run will do some good. But to spend \$33 billion on a piece of legislation that really does not address the crime problems of our Nation the way they need to be addressed is a travesty of justice.

We need more people on our police departments, but in this legislation we are told we have 100,000 new positions that are created. That is a total fallacy. There is actually going to be money for about 22,000, and we are taking the money from our Federal drug programs and from the FBI, from our ability as a Federal Government to stamp out crime on a Federal level.

Much of the money we give to local police departments will be used for salaries, but over half of the cost that our police departments have is the need to provide the automobiles, the technical equipment, the guns, the uniforms, and the other things that police officers need. When you mandate a program of this kind, many of our departments are not going to be able to use them. If you gave them the money to build up the programs they have, they could really fight crime, but if you tell them that they have to use them in an area where they do not have the money to supplement their use to really make them effective, you are wasting your money.

I have been told by the head of the FBI, who was in my office the other day, that much of this money is going to come from their ability to enforce the Federal laws and from the money for the DEA and their drug enforcement programs.

I want to do something about crime very, very badly, but I want to do

something with legislation that meets the problems and not one that only misleads the American people that something is being done when we are passing a pork-barrel bill that helps some people's special projects, like giving a little money to colleges here and there, a little money for other social programs. We need to fight crime and not to build up pork-barrel programs.

Polly Klaas was kidnaped and murdered in California by a hardened criminal who was allowed to go free under our current system. This is the system we must change.

I cannot support a crime bill that ignores the rights of victims of violent crimes and continues to allow violent criminals to rule our streets.

Let us correct this legislation. Let us get a bill that does something to fight crime in America.

## THE CRIME BILL IS WELL BALANCED

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from California [Mr. MILLER] is recognized during morning business for 5 minutes.

Mr. MILLER of California. Mr. Speaker, Members of the House, the gentleman that preceded me in the well talked about the tragedy of Polly Klaas when our community in northern California was rocked by her kidnap and her violent death and how somehow this bill would not be helpful in that situation, and yet her father was at the White House yesterday supporting this legislation because he recognizes that this legislation has a very tough provision on three strikes and you are out for serious violent crimes.

It also recognizes, as does the President and as do the people of this country, this bill is a well-proportioned bill that provides some \$13 billion for law enforcement, for the needs that the law enforcement community has told this Congress, told the President, and told others that it needs in response to the crime on our streets. It provides over \$8 billion for construction of new prisons, so that we can start to keep people off the streets for a longer period of time that have engaged in violent activity against our citizens. It also provides money for States to help them construct some prisons if those States enter into an agreement to provide that people will serve at least 85 percent of their sentences, and it also provides some \$8 billion for prevention programs.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

I do not know what other Members of Congress have been doing, but I have been meeting with my district attorneys, with my chiefs of police, with my sheriffs, with other law enforcement individuals in the district that I represent, and they have demanded more prisons, they have demanded more resources for law enforcement, but they have also demanded that they be given additional tools where they can work in conjunction with recreational agencies, with our schools, with the boys' and girls' clubs to try to create activities to provide a diversion and to provide an outlet for young people in many communities where there simply are no resources for those people through most of the day. This is about prevention.

My colleagues on the other side of the aisle want to keep talking about the social workers. This is not about social workers. This is about coaches and teachers and recreational individuals that work in some of our toughest neighborhoods trying to provide some alternatives. Yes, it includes midnight basketball, which includes the requirements that you sign up to work for your high school equivalency, that you get engaged in a counseling program to try to help you find work, and you can also play basketball as the organizing principle to bring these young people together where we can start to provide and inform them of some alternatives to their life on the streets.

This legislation is tougher on crime, and it is tough on crime prevention. This bill provides that kind of balance. It recognizes the needs of our community.

Mayor Giuliani of New York was on TV today, and he made a very important point. He said he did not know a lot about the rhetoric surrounding this bill, but he knew the needs of his city and of most of the cities in this country, and what they needed was this legislation to provide them the tools of dealing with crime in our environment on a daily basis on the streets of America, not as we would like it to be in the Halls of Congress.

□ 1040

Not as we would like it to be in the Halls of Congress, not as we would like to see it as we trade facts back and forth between the two parties, but based upon his experience as a prosecutor and now his experience as mayor of our largest city; joined in by Mayor Riordan of Los Angeles, supporting this legislation, the mayor of Philadelphia saying we need these programs; the mayor of Chicago.

We need these programs to try and provide some opportunity, to extend our school hours, to take the school buildings of our Nation and expand them as a resource after hours. But schools do not have the money to do that. School boards do not have the

money. But maybe we can knit that together out of some assistance from the Federal Government, the States and local agencies, so that those schools can remain open, as they did when I was a young person.

There was no question where I could go after school. I could hang out at my school, play kickball, volleyball, baseball, I could go to tutoring, I could go to study hall. It was available.

It is not available today. That is why this program addresses those who prey on our society, by lengthening prison terms, by building more prisons, by making sure they serve their sentence and making sure that those who choose to do it more than twice pay on "three strikes and you're out" with a life sentence.

That is why this bill goes to the issue of making room for violent criminals, by deciding that those who are in jail because of a nonviolent, minor drug arrest can be let out of jail so we can put a violent individual who threatens our neighborhoods, threatens our families, away for a long period of time.

I would hope the Congress, along with the American public, will support this legislation.

#### CAUGHT IN THE ACT; ARRESTED AT THE SCENE

The SPEAKER pro tempore (Mr. KLING). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Illinois [Mr. HYDE] will be recognized during morning business for 5 minutes.

Mr. HYDE. Mr. Speaker, on Sunday the President engaged in some rather unusual campaign strategy to pass his crime bill. He told us from a church in the District vicinity that God wants us to vote for this bill.

Now, if Pat Robertson had said that, or Jerry Falwell or even BOB DORNAN, I am sure that Mr. FAZIO and the other crusaders on the left against the religious right would not swing into high gear. But it is the President, and he, I suppose, by virtue of his office, has the right to tell us that God wants us to vote for a bill. And I just hope that Mr. FAZIO is not too tough on him, because he is the President.

Occasionally you encounter somebody who has written something that rings so true that it overwhelms your own idea of what to say. And I must say that that has happened to me on this crime bill.

Yesterday, Monday, in the Washington Times, Pat Buchanan, a favorite demon of the left, has a column on this crime bill. And when I read it, lights went on all over the room because it is so true. And I think the best thing I could do with my time is share it with you, parts of it anyway.

He says:

The degeneration and defeat of the crime bill raises a question. Why is Congress in-

capable of getting it right? Stopping crime, like educating children, is not horribly difficult. The old America used to do it rather well. What happened?

Well, some years ago, cultural and political power in America passed to a new elite that had come to believe the old America had to be made over. All the old notions had to go.

From our public schools they effected the expulsion of all Bible-based ideas about right and wrong. On the streets, brutal cops were thought to be the real social problem, and in need of constant oversight to keep their natural instincts under check. In the courts, the balance of power was shifted toward the criminally accused, in the name of fairness. In society at large, traditional views on morality, the permanence of marriage, the importance of families, the indispensable role that religion plays in character formation, were tossed out. The new elite had decided to replace the pastors and preachers of old with themselves as America's moral tutors.

Don't tear a fence down until you know why it was put up, Robert Frost wrote. Well, as we tore down the old fences with cheerful abandon, we forgot they had been erected over centuries as society's first line of defense against the return of barbarism.

And barbarism returned with a vengeance. So, who is responsible for our crime crisis?

Go back and discover: Who did most to discredit the two-parent family and bring about its collapse? Who did the most to purge all religious ideas and moral instruction from the public schools upon which the poor so heavily depend? Who worked ceaselessly to make it ever more difficult to arrest, prosecute, convict and incarcerate criminals?

Those are some very important thoughts for people to think about as we grapple with the idea of what to do about crime in this world, in this country.

Now, one of the reasons why this was a bad bill was the incorporation of nearly \$9 billion in social programs. Are all the social programs bad? No. I dare say many of them are good. Many of them would be useful if we knew which ones they are. The trouble is they did not have hearings. They just took a wish list of certain things that people wanted, all Democrats, I might add, and put together a list about \$9 billion, and said "Let's do it."

Now, midnight basketball is one of the programs that is funded. Now, I have an open mind on midnight basketball. It is certainly while someone is playing midnight basketball they are not mugging you—at least there is a referee there to blow the whistle if they do. But how do they get up the next morning and go to work or go to school if they are all geared up at 3 in the morning after a game? I do not know. I would like to know.

I would like to know which of these programs duplicate other programs, because we already have 156 job training programs at a cost of \$25 billion a year already in place. And this bill superimposes 30 new programs, many of which are duplicative, triplicative of existing programs.

Now, we all promised our constituents we were going to be frugal and cut

unnecessary spending. It is not responsible to vote for this bill as it is.

#### CRIME BILL EMPHASIZES PREVENTION

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Colorado [Mrs. SCHROEDER] is recognized during morning business for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I am glad to have a little time on this floor to try to bring back something to the crime bill that has been lacking, and that is: facts and truth.

If you really look at what has happened, we in America won the cold war and we have lost the war on crime. And this crime bill does go a different direction. I think it is a very important direction. That is why we are having so much trouble getting it moving.

What do we have in this crime bill that we have not had in crime bills for the last 12 years? We have a prevention piece, a prevention piece. Why is it in this crime bill? Because even today, after 12 years of passing tougher and tougher and tougher crime bills, and this one also has even more tough provisions, believe me—the gentleman from California talked about those, they are there, they are real, "three strikes, you're out," all sorts of things. But we still know, after all of that, 95 percent of the crimes in America often there is no arrest for. The figures go between 91 percent and 95 percent.

So the idea is, if there is anything that could prevent the crime from happening in the first place, the average American citizen is much better off. In military terms we call that deterrence.

We looked around, we had all sorts of hearings. Midnight basketball was one of them. We had hearings on it. I am sorry it was named midnight basketball. Let us call it late-night. It can start at 8 in the evening if you want it to. There is nothing that says it has to be at midnight. But the reason that it was named that was because in order to get into the basketball league, you had to, A, be in school or a job training program and, B, come from the study hall first that lasted a couple of hours.

□ 1050

Mr. Speaker, I think to call it pork is really ridiculous because it is very targeted. It is only targeted to the neighborhoods that need it, the neighborhoods where they do not have a father presence, and that is what this is, coaches, volunteers, and study hall people trying to become a father presence. This program has been tried in both Chicago and Maryland. It had strong bipartisan support. In fact, it was unanimously supported by the Select Committee on Children, Youth, and Families.

And all this for \$2,000; that is all of what it costs an average community to fund an eight-person team for midnight basketball, and that \$2,000 just pays for the insurance, the rental of the place, and the kind of things that bother volunteers, so all the volunteers have to focus on is those kids, and get them to go the right way, and where it has been in effect we find there has not been the crime going on by these young people, many of whom had an arrest record, and had been in trouble and were doomed to do it again.

Mr. Speaker, I want to say to my colleagues, civilizations are known not by how many prisons they build, but by the next generation they build, and we have not been doing a very good job as a nation on this next generation.

So, yes, we put some prevention programs in there, and we have been tried and true, and we have had hearings, and they are so cost efficient that my colleagues may not be able to believe it because it is \$2,000 for eight people on a basketball team versus \$40,000 apiece for each of those kids per year if they go on to jail, not to even mention the crime costs.

What else did we put in this bill we have never done before? We put in things like assault weapon bans. Yes, those are military weapons. Those weapons do not belong in the hands of citizens out there. We do not even have them in the hands of our law enforcement officials. They are way overarmed. Again put it in cold war terms. The criminals are better armed than our policemen.

We need more policemen; we have it in this bill. We need more prevention because when we are only arresting people for about somewhere between 9 and 5 percent of the crimes committed, we got to do a better job of preventing it on the front end.

There is an old, wonderful Ben Franklin saying about an ounce of prevention is worth a pound of cure. That is what this bill is trying to tilt toward.

And we also have in there the Violence Against Women Act which is terribly important. When this bill left the House the people voted for, there was \$500 million more in programs than when it came back, and people voted for it then. There was also a lot less money for violence against women that there is now.

Mr. Speaker, I think the excuses my colleagues are hearing are not based in fact. I think it is indeed criminal that we are having such a tragic factless debate on this, and I hope we get this crime bill back on track. America certainly needs it.

#### A BETTER CRIME BILL IS POSSIBLE

The SPEAKER pro tempore (Mr. KLING). Under the Speaker's announced

policy of February 11, 1994, the gentleman from Florida [Mr. GOSS] is recognized during morning business for 5 minutes.

Mr. GOSS. Mr. Speaker, the problem is not the GOP and five dozen Democrats. The problem is the crime bill. We can have a much better crime bill, one that is paid for, and one that will get tough on crime, and one that will fix some of the problems that the conferees wanted to be fixed. The conferees took out four or five get-tough measures that the Senate put in. The conferees ignored seven motions to instruct that this House of Representatives put in. The conferees did sneak in, or at least Members in the conference snuck in, projects that neither body, apparently, knew about, what we call pure pork, \$10 million for a university somewhere in Texas. The conference report required a rule to protect parts of this bill that we do not even know what it said, or did not know at the time we voted, and the other thing is that most Members of this Congress; in fact I think I can say every Member of this House, had not read the crime bill we voted on because there was not time to do it under the rule we reported out.

Mr. Speaker, the crime bill, as we had a chance to look at it, that we voted on in the past 5 days, had some good and some bad parts. There is quite a list of social programs, about 9 billion dollars' worth. Part of the problem with those, they are not high priority, and they are paid through the patronage system; they are not paid through competitive grants. They are done on the who-you-know-in-Washington basis.

There is also no accountability for a great deal of that money. Nine billion dollars; we do not know whether it is going to work. There is no standard, there is no measure, there is no come back, and report, and find out if this worked. Nine billion dollars is a lot of money.

Mr. Speaker, that talk about getting tough on crime sort of goes pale when we see that we are going to let something like 10,000 people who have been convicted of drug crimes, who are in jail now, out because they are lower priority and we need those prison spaces for higher priority. I have already been asked by some constituents in my district if one of those 10,000 is going to be the son of Joycelyn Elders who was recently convicted of such a crime. I do not know the answer to that.

This supposed 100,000 policemen on the streets that are going to be put in that we have heard so much about from the White House, actually there is only funding in this bill for about 20,000 policemen on the streets, and, if we were to divide that into three 8-hour shifts, which is what we have to do when we are running a police department at any

given moment in America, right now that will be an additional 6,000 or 7,000 policemen. I say to my colleagues, "Well, when you divide that country-wide, you can see that's a help, but it's not going to be a gigantic help, and frankly most of those police are going to go into the urban areas that are decided by somebody else, and most communities are not going to get those policemen."

There is no habeas corpus reform in this bill, and this bill is not paid for. It is a budget buster. It is about \$25 billion added to the deficit over the next 10 years or so, and we do not even know how much it will cost beyond that.

Nevertheless, Mr. Speaker, we need a crime bill, and we have the ability to get a crime bill and to deliver a crime bill, and, if we had, perhaps, little more help from the White House on focusing on a get-tough crime bill that would pass here instead of the demagoguery that is going on, I think we can accomplish it.

Some of the things that we are worried about is that my colleague and friend, the gentlewoman from Washington [Ms. DUNN], introduced an amendment for tracking sexually violent predators and community notification. Now, some of my colleagues may remember picking up a paper a few weeks ago and reading about a 7-year-old youngster in a town in New Jersey who was strangled is a sex crime by a known sexual offender who was living in that community, been no community notification. We wanted those requirements put in this bill so that that kind of thing cannot happen again, and I ask, "You know what? We instructed the conferees to put it in, and you know what? They left it out, and you know what? They're accountable-less to tell us why, and you know what? They didn't tell us." So, Mr. Speaker, that family was not invited to the Rose Garden yesterday by the White House, and I do not know why. I hope the President will correct that oversight. I feel very sorry for that family and all families in that situation, and we have the ability to fix that and make this crime bill right in this country.

We asked for \$13.5 billion for prison funding by a vote of 338 to 81 in this Chamber, and do my colleagues know what? The conferees did not do that. They cut it by \$5 billion, and they did not explain why. They just ignored the instructions of 338 Members of this House.

Mr. Speaker, it seems to me we can do better when everybody in America is saying, "Lock up the criminals. Please lock up the criminals. We want to be safe on the streets, in our houses, in our cars, when we go to the store, and, if you let those criminals out, we will not be safe."

Mr. Speaker, everybody in America understands that. Why did we chop out \$5 billion? I do not know. We need to do better than that.

We had a provision to instruct the conferees for minimum sentences for crimes carried out with handguns. Now, my colleagues would think that would be pretty simple to do. We are having all this fuss about an assault weapons ban, but we cannot even get a provision in, in this crime bill, this supposedly get-tough-on-crime bill, that says, "If you carry out a crime with a handgun, that you get a severe minimum sentence." It seems to me that is pretty basic stuff if we are trying to do a bill on crime.

Mr. Speaker, we can do this better, and we will.

#### A LETTER IN SUPPORT OF THE CRIME BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from South Carolina [Mr. DERRICK] is recognized during morning business for 5 minutes.

Mr. DERRICK. Mr. Speaker, yesterday I received a faxed letter from Carlos and Sharon Luria of Salem, SC, a small town in my district. I would like to read it to you.

Sharon and I would like to congratulate you on supporting the President's crime bill even though, as you were subsequently quoted as saying, there is little downside in saying "no" to him. You put the broader interests of the Nation ahead of narrow political concerns, and we admire you for it. I would also like you to know that I am a hunter who once supported the NRA but quit that organization in disgust over its obdurate stand on assault weapons.

While so many seem to deride the social programs that are incorporated into the crime bill, we support these measures strongly. Building more prisons and putting more police officers on the street are necessary to stem the bleeding, but they don't keep the wounds from happening in the first place.

We wholeheartedly support early intervention programs that work with kids when they first begin to evidence antisocial behavior. Sharon works with abused children in a local program called Helping Hands and sees the difference it makes at first hand.

It is good to hear from people like Sharon and Carlos, who understand the importance of hands-on community involvement and socially responsible action to prevent crime. I often hear from people opposing social programs that would fight crime. They do not see the use of such programs, or misunderstand their purpose.

Mr. Speaker, we need more prisons, more police, and stricter sentencing, but vengeance alone may be the least effective and most irresponsible method of stanching a crime epidemic. If we sanction the most excoriating punishments without addressing the cases of crime, we do no better than the most capricious despot.

In effect we will have abandoned any ideal of social redemption, the idea that men and women might improve

themselves or their communities or that such things are even possible. We will have settled for writing off those who break our laws or might break them as redeemable human trash we can only rid ourselves of.

I cannot think of a more cynical approach. We would presuppose the worst human behavior, in which case we could only expect to get it. If we hope to stop crime in a socially responsible way that actually improves the daily lives of our communities, we must fight it with a judicious balance of punishment and prevention. The crime bill would have done that. We can do it still.

□ 1100

#### COMMENTS ON THE CRIME BILL

The SPEAKER pro tempore (Mr. KLICK). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Florida [Mr. MICA] is recognized during morning business for 5 minutes.

Mr. MICA. Mr. Speaker, there are many wonderful people in my Seventh Congressional District that stretches from Orlando to Daytona Beach, FL.

We have people who have lived there all their lives, and folks who just moved there recently. We have young and old working and retired and, like other parts of America, we have people looking for work and new opportunities.

After meeting with many of my constituents again this past weekend I know how smart the people of my district are. I know a little bit more about their hopes and dreams.

Like me, they want something done about crime. But also they realize that Congress could do a better job in crafting a crime bill that addresses the real problems of crime in this country.

The people in my district work hard to make a living, struggle to pay their bills, try to lead an honest life and strive to educate and raise their children. They want to live in peace and with personal security.

They want to feel safe in their homes and on their streets. They do not want to sleep, shop, go to work, or drive in fear. They want their children and grandchildren to be raised in safe neighborhoods.

Now let me tell you what they have told me they do not want. They are tired of supporting people who do not care to work or contribute to our society.

They are sick and tired of seeing their hard-earned money support fancy prisons and those who rip off the system.

They are tired of the revolving door system of justice—where they pay for the cost of crime, they pay for the criminals' legal counsel, and they pay for the criminals' fancy prison surroundings.

They pay to support the criminal's family while he's in prison, they pay for the halfway house, they pay for the parole and counseling, and then they pay all over again when the system produces a repeat offender.

They are tired of supporting the small numbers who commit the large numbers of crimes. They are tired of it, and I am tired of it.

We know that 40 years of social programs have bred welfare dependency, destroyed the traditional family unit, discouraged work and self respect, and killed self-reliance.

The NRA did not kill this rule to bring up the crime bill and neither did the Republican Party or 58 Democrats. The American people finally rebelled.

The American people know that carelessly throwing more money at the crime problem is not the answer.

The American people know that 40,000 more social workers is not the answer and the American people know that releasing 10,000 convicted drug dealers in our neighborhoods is not the solution.

Mr. Speaker, we need a crime bill that gets tough on crime. Let us send this bill back to conference committee because we can do a better job.

Let us restore the good provisions stricken in conference.

Restore the provision to notify neighbors of sexual predators. Restore minimum mandatory sentencing that keeps drug felons behind bars.

Restore minimum mandatory sentences for selling drugs to minors. Restore HIV testing for rapists. Restore a provision to require criminal restitution to victims.

Restore the provision to deport criminal aliens immediately after they leave prison. Restore minimum mandatory penalties for commission of crimes with firearms. Restore provisions to help convict prior rapists and child abusers.

Let us be honest with the American people and restore these tough measures.

Then, Mr. Speaker, after the conference committee has restored these provisions of substance that were stripped from the bill, we ask for your help.

Please cut some of the \$9 billion added to this bill for a bigger social agenda. Leave billions for prisons, billions for police, and even billions for good treatment and enforcement programs.

But let us be honest and cut the social programs that have not worked in the past, do not work now, and will not work in the future. Also Mr. Speaker, we ask that you contact President Clinton and tell him the House voted on June 16, with a vote of 264 to 149, to instruct conferees to delete the racial quota provision from the conference report.

Remind him that we did not want President Clinton to promise to restore

this deleted provision by executive order. Remind him that we wanted to strengthen, not weaken, the death penalty.

Finally, there is no one in this Congress that does not want a crime bill—what we want is truth in legislating and truth in sentencing.

Our hearts ache for those who have been the victims of crime. But we have a responsibility to legislate both with our hearts and our minds.

#### GOOD ASPECTS OF THE CRIME BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Maryland [Mr. HOYER] is recognized during morning business for 5 minutes.

Mr. HOYER. Mr. Speaker, there has been much said on this floor today about the crime bill and on days before. There will be much said hereafter, because we know that the American public is very concerned about the issue of safety in their communities, in their homes, on their streets, and in their schools. That is a concern that every Member of this House wants to respond to. It is a concern that the President of the United States wants to respond to. It is a concern, I suggest to my colleagues, that we have responded to in very handily passing a crime bill through this House of Representatives.

It had in it prevention; it had in it punishment; it had in it more cops on the beat, more police in our communities to respond, to be a presence.

Last week, however, we fell short. Not in voting on the crime bill, but in allowing this House to vote on the crime bill. The rule became an issue of great magnitude, because those who oppose now the bill were not sure that they could garner the votes to vote against the crime bill and defeat it. In point of fact, they felt the opposite, that a large number, a great majority of this House, would in fact have supported the crime bill, had it been allowed to come to a vote on the floor of this House.

My colleague who spoke before me talked of social programs that have not worked. There is prevention in this bill. Law enforcement officials that I talk to know, citizens know, that it is not enough to incarcerate, it is not enough to arrest. That is important and critical. And to keep people who continue to threaten our communities and persons in jail, in some cases, for life. I was the sponsor, Mr. Speaker, of the three-time-loser bill in this House which is a part of the crime bill.

In opposition to the crime bill, some have said this is a pork bill. And in fact on the Republican side of the aisle, the minority whip leading the charge, the accusation has been that there is

money in there for midnight basketball, and some are saying we do not need kids playing basketball at midnight. They need to be at home in their beds with their families at midnight.

□ 1110

I think most of us would agree with that. But most of us would also readily admit that that is not always the case.

Mr. Speaker, today I rise to share with my colleagues a quote by our President on midnight basketball, a major topic of discussion these past few days.

I quote: "The last thing midnight basketball is about is basketball." I am quoting our President now.

"It's about providing opportunity for young adults to escape drugs and the streets and get on with their lives. It's not coincidental that the crime rate is down 60 percent since this program began."

That was our President talking in Prince Georges County at our midnight basketball function. That was our President. He is not our President now. His name is George Bush. That is what he had to say about midnight basketball.

He said that in 1991, as he participated in recognizing the first midnight basketball program in the Nation in Glenarden, MD.

This crime bill, my colleagues, is not about midnight basketball. It is about 100,000 new cops on the beat to prevent crime. It is about three strikes, you're out, to punish repeat violent offenders and get them out of our communities so they can no longer threaten us. It is about programs to stem the violence against women.

As President Bush said, it is about providing opportunity for young adults to escape drugs and the streets by not only allowing them to play basketball but, between these games, providing academic seminars and vocational workshops and family counseling to keep them out of trouble.

Tonight, Mr. Speaker, I invite my colleagues to join me and the chief of police in Prince Georges County, David Mitchell, to the finals of our midnight basketball program, to see a successful crime reduction program in action; 8 p.m. tonight, my colleagues who would stand on this floor or have press conferences criticizing this program.

#### IN SUPPORT OF THE DUNN-DEAL MOTION TO INSTRUCT

The SPEAKER pro tempore (Mr. KLING). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentlewoman from Washington [Ms. DUNN] is recognized during morning business for 5 minutes.

Ms. DUNN. Mr. Speaker, with the recent national media attention given to the sexual predator language in the crime bill in the New York and LA

Times, I want to take this opportunity to reiterate my support for opening up the conference to include the original Dunn-Deal motion. The language instructs conferees on the crime bill to encourage States to establish registration and tracking procedures and community notification with respect to released sexually violent predators. This same language was accepted by unanimous consent as a part of the Senate crime bill and overwhelmingly supported in the House by a vote of 407 to 13.

Mr. Speaker, the House sent a precise message to conferees on the importance not only of registration and tracking provision, but of notification when a sexually violent predator has moved into a community. But the will of the U.S. Congress was ignored. I believe that American women and families deserve better.

Mr. Speaker, community notification is a proven approach. The legislative language is modeled after a successful Washington State law and will monitor sexually violent predators—including those convicted of stalking—wherever they may locate once they are released from prison, even if they move across State lines. Washington State leads the Nation in coping with this small group of criminals who terrorize primarily women in their neighborhoods, homes, and workplaces.

When rapists, women-beaters, or convicted violent stalkers are released into the community, the women in that community have a right to know. In fact, the Washington State Supreme Court already has ruled that this type of law is constitutional.

Already, both the House and Senate have passed legislation that requires law enforcement officials to notify communities when child molesters and others who pose a threat to children are released. That is right and good: a warning that society owes to parents and their children.

In the same way, our society owes to its women some notification that a predator is being released. And law enforcement officials should be encouraged to track their movements just as they do for those who have committed crimes against children.

By contrast, Mr. Speaker, the language that is being proposed in the conference report unacceptably weakens community notification, and instead protects the rights of criminals. Law-abiding citizens, especially women, have a right to know when a predator is being released into their community.

What is the point of registering and tracking these convicted predators if we are not going to share that information with the very citizens who are at risk? How can we justify knowing where a sexual predator has located, and not notify the women and families in that neighborhood, especially when

so many of them move across State lines to settle next door to one of our constituents. The rate of recidivism for these crimes is astronomical because these people are compulsive. We know that. And that is why it is incumbent upon us to ensure that community notification is encouraged. Without the community notification, the effort is reduced to the simple collection of data.

I would hope the House would recognize this fact and open up the conference report to strengthen this important language.

The next time a young girl is attacked by one of these repeat offenders it should rest heavy upon the conscience for every conferee who voted to weaken this provision. The problem of sexually violent predators has unfortunately become too widespread in our society. We need only recall the recent tragic case of young Megan Kanka, of New Jersey, lured to her death by a repeat sexual offender, who told her he had a new puppy in his house or of Polly Klaas of Petaluma, CA, who was snatched from her home and brutally murdered. Yet, the conferees felt it necessary to protect the rights of criminals instead of protecting the rights of the citizens from a predator.

Mr. Speaker, on behalf of the women who work here on Capitol Hill, on behalf of the millions of women across the country and in every congressional district represented here, I respectfully ask that the House open up the conference and give us a bill that we would be proud to take back to our constituents.

#### THE CRIME BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from New Mexico [Mr. RICHARDSON] is recognized during morning business for 5 minutes.

Mr. RICHARDSON. Mr. Speaker, I yield to the distinguished chairman of the caucus, the gentleman from Maryland [Mr. HOYER], to complete his very eloquent statement on the crime issue.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding to me.

I had one additional quote I wanted to use of our President, Mr. Bush. As I said, he visited Prince Georges County, which inaugurated the midnight basketball. When he was there in Glenarden he said this, and I quote, "Here everybody wins, everybody gets a better shot at life," President Bush also said on that April evening in 1991.

That is what this crime bill is all about, a better and safer shot at life for our children and grandchildren.

Mr. Speaker, I hope that we can stop the partisan propaganda and pass a tough, strong crime bill. The crime bill that we failed to approve the rule on last week was such a bill. We need to

pass it. We need to do what America sent us here to do, to act and respond to the problems that confront them every day.

Mr. RICHARDSON. Mr. Speaker, I thank my colleague for his eloquence. I want to echo it. We need to pass the crime bill this week. Politics wounded the crime bill last week. The Republican leadership and special interests and others have tried to kill this bill, but it is not dead yet.

It is our responsibility to bring it back, to stop the partisanship and to pass the crime bill. It is as simple as that.

I have never seen President Clinton get so mad as he did after the bill went down. I have never seen him so energized, as he crisscrosses the country trying to rally national support for the bill. He is energizing the country. He is using the bully pulpit and he has already changed some votes.

□ 1120

Most importantly, Mr. Speaker, he is sending a message that the National interest has to override parochial and special interests. There is no more important issue that the American people want us to deal with than crime. If we go home for our recess without a crime bill, I could not enter a town meeting in New Mexico with my head held high, because I know that I, for one, would be ashamed that we have not acted.

Mr. Speaker, let me make a comment about the social spending that some of my colleagues keep criticizing. The final passage of the crime bill, not the conference report, contained less social spending than the conference report. Why is that? Because in the conference report, the much-admired and positive program to fight violence against women was raised to \$1.2 billion.

Again, this talk about too much social spending in the conference report rings very hollow when close to 260 Members of the House, including many on the other side, voted for some of these programs when it came to final passage of the bill.

Mr. Speaker, it is clear that politics killed this bill. Last week in my congressional district a 21-year-old woman was brutally strangled to death in her home in one of the smallest and most rural areas of my State. Years ago, shocking crimes such as this were unheard of in Portales, NM. Now these crimes are occurring in small towns like Portales throughout the country, without regard to race, population, or wealth.

The bottom line is that crime is everywhere, and I am amazed that some of my colleagues have not yet listened to the pleas of the American people, in big cities and small, that we do something about this.

How about those who say that this crime bill is not tough enough? With three-strikes-and-you're-out, death

penalty statutes, money for more prisons, which mandates that violent offenders serve at least 85 percent of their sentence, I think that this anticrime bill is very tough on criminals.

Mr. Speaker, let us end the politics. Let us pass this crime bill. Let us get it done this week.

#### THE PRESIDENT'S HEALTH CARE REFORM PLAN DETRIMENTAL TO FEDERAL EMPLOYEES HEALTH BENEFIT PLAN

The SPEAKER pro tempore (Mr. KLICK). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Virginia [Mr. WOLF] is recognized during morning business for 5 minutes.

Mr. WOLF. Mr. Speaker, I rise to discuss the detrimental effects of the Clinton-Gephardt health care bill on the Federal Employees Health Benefit Plan [FEHBP] and what Federal employees and retirees and the groups that represent them should be focusing on.

For most Federal employees and retirees, health care security is spelled FEHBP: the Federal Employee Health Benefits Plan. Over the past year of health care debate, the FEHBP has been threatened with abolishment, by the Clinton plan, or dramatic changes that would alter the benefits that Federal employees have negotiated over the years—Clinton-Gephardt and Clinton-Mitchell.

The FEHBP, however, is not broken and does not need the Clinton or the Clinton-Gephardt fix. In fact, it is a shining example of what is right in our health care system and should be a model for reform of those things that are wrong in the private sector. The FEHBP is built on two solid principles: consumer choice and market competition. These principles work in concert to provide the best possible health care plan and the most inexpensive cost. In 1994, the average premium increase in the FEHBP has been 3 percent, far outperforming private, employer-based insurance, where employees have little or no personal choice over benefits or price. Moreover, about 40 percent of FEHBP enrollees benefited from a reduction in premiums.

The FEHBP should be the model for reform and is a splendid example of how the private sector could work given the appropriate market reforms and incentives. The FEHBP does not have a huge bureaucracy managing the almost 400 plans which provide a wide array of choice in the FEHBP. The 34-year-old law creating the FEHBP is only 26 pages long, with 83 pages of rules in the Code of Federal Regulations, and another 93 pages of instructions in the Federal Personnel Manual. Most Government-run programs could fill a library. Furthermore, there are

only 144 administrative staff that implement the program and only 1 percent of each plan's premium costs are set aside for OPM's administration of the system. Little red tape and low overhead result in lower health insurance premiums which saves money for Federal employees and retirees and the American taxpayer.

Consumer choice and market competition provide the following key features of the FEHBP:

The FEHBP permits Federal workers to choose different plans as well as very different benefit packages.

The FEHBP allows the consumer to decide whether a plan is a too expensive or a good value for their hard earned dollar.

Federal employees with preexisting conditions are not denied coverage.

Federal employees pick and keep their plans. Those decisions are not reserved to administrative personnel.

The FEHBP is not burdened by premium caps or price controls.

Federal employees around the country should ask their Representatives and Senators to reform America's health care system in the image and likeness of the FEHBP—a proved effective, market-based, consumer-oriented system. Feds should not settle for the untested Clinton-Gephardt or Clinton-Mitchell plan. I understand that the House bipartisan legislation, the so called Rowland-Bilirakis bill, which came out yesterday, preserves the FEHBP as does the Michel bill.

Feds have recently received assurances that FEHBP will be preserved and they will have as good a plan or better under the new government scheme. But those proposals still include dramatic changes to the FEHBP: a mandated benefits package that alters what many employees currently receive, a different risk pool that could raise rates, and reduced hospitalization coverage to name a few. The Capitol Hill newspaper, Roll Call, accurately noted, "FEHBP is more attractive than Mrs. Clinton's own proposal . . . federal employees will lose their breadth of choice if the Clinton plan is enacted."

Proposals for Federal employees to get supplemental packages to compensate for what they would lose by being included in the Clinton-Gephardt plan are a risky gamble that could result in reduced benefits. Office of Personnel Management Director James King wrote to the First Lady last year, "I think it is important to FEHBP population be given the opportunity to see that national health reform is working before they are transitioned into it."

There are a number of commonsense health care reforms that enjoy broad-based support such as making insurance plans portable between jobs, eliminating preexisting medical conditions, allowing medical savings accounts, providing small market insur-

ance reforms and reforming medical malpractice. All of these are a part of the Republican health care bills, and apparently they are included in the House bipartisan approach, and they do not touch the FEHBP nor threaten Federal employee.

The real issue is that the Government should not be fixing what isn't broken. Remember it is the Clinton administration which is sending out RIF notices by the thousands and cutting back on Federal COLA's. How confident are you of the fix Federal employees will get on health care? Should Federal employees really risk buying into the Clinton-Gephardt plan? I do not think so.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12, rule I, the Chair declares the House in recess until 12 noon.

Accordingly, at 11:28 a.m., the House stood in recess until 12 noon.

□ 1200

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 noon.

#### PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, we pray, to savor the moments of quiet when the intensity of the day is eased and the burdens of responsibility are laid aside. Teach us then, in the silence of meditation and reflection, to place before You our thoughts and ideas, our feelings and worries, so that You can forgive us and nurture us and strengthen us for the days ahead. O gracious God, as You have created the Heavens and the Earth and each of us, bless us this day and every day. Amen.

#### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SYNAR. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the yeas appeared to have it.

Mr. SYNAR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 5 of rule I, further proceedings on this question are postponed.

The point of no quorum is considered withdrawn.

#### PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Arkansas [Mr. HUTCHINSON] come forward and lead the House in the Pledge of Allegiance?

Mr. HUTCHINSON led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 4299. An act to authorize appropriations for fiscal year 1995 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes;

H.R. 4554. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1995, and for other purposes; and

H.R. 4650. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4299) "An Act to authorize appropriations for fiscal year 1995 for intelligence and intelligence-related activities of the United States government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. DECONCINI, Mr. METZENBAUM, Mr. GLENN, Mr. KERREY, Mr. BRYAN, Mr. GRAHAM, Mr. KERRY, Mr. BAUCUS, Mr. JOHNSTON, Mr. WARNER, Mr. D'AMATO, Mr. DANFORTH, Mr. GORTON, Mr. CHAFEE, Mr. STEVENS, Mr. LUGAR, and Mr. WALLOP; and appoints from the Committee on Armed Services: Mr. NUNN and Mr. THURMOND; to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4554) "An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1995, and for other purposes," requests a new conference with the House on the disagreeing votes of the two Houses

thereon, and appoints Mr. BUMPERS, Mr. HARKIN, Mr. KERREY, Mr. JOHNSTON, Mr. KOHL, Mrs. FEINSTEIN, Mr. BYRD, Mr. COCHRAN, Mr. SPECTER, Mr. BOND, Mr. GRAMM, Mr. GORTON, and Mr. HATFIELD; to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4650) "An Act making appropriations for the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. INOUE, Mr. HOLLINGS, Mr. JOHNSTON, Mr. BYRD, Mr. LEAHY, Mr. SASSER, Mr. DECONCINI, Mr. BUMPERS, Mr. LAUTENBERG, Mr. HARKIN, Mr. STEVENS, Mr. D'AMATO, Mr. COCHRAN, Mr. SPECTER, Mr. DOMENICI, Mr. NICKLES, Mr. GRAMM, Mr. BOND, and Mr. HATFIELD; to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 784. An act to amend the Federal Food, Drug, and cosmetic Act to establish standards with respect to dietary supplements, and for other purposes;

S.J. Res. 185. Joint Resolution to designate October 1994 as "National Breast Cancer Awareness Month";

S.J. Res. 192. Joint Resolution to designate October 1994 as "Crime Prevention Month"; and

S.J. Res. 198. Joint Resolution designating 1995 the "Year of the Grandparent."

The message also announced that the Senate agrees to the amendments of the House to the resolution (S.J. Res. 153) entitled "Joint resolution to designate the week beginning on November 21, 1993 and ending on November 27, 1993, and the week beginning on November 20, 1994 and ending on November 26, 1994, as National Family Caregivers Week."

#### DISPENSING WITH CALL OF PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the private calendar.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the call of the private calendar be dispensed with today.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

#### TAXPAYERS SHOULD BE CONSIDERED INNOCENT UNTIL PROVEN GUILTY

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the IRS said that the Congress should not

mess with the burden of proof in a tax case: Taxpayers are guilty until proven innocent. And they say they need that, and it is justified, because it is a "voluntary compliance" system.

Voluntary: The dictionary says voluntary means behaving without force, threat, or persuasion. If that is the case, tell me, Mr. Speaker, if you do not voluntarily pay your taxes, why does the IRS take your bank account? Why does the IRS take your house? Why does the IRS take your kids, your lawnmower, your goldfish, your dog?

It sounds to me, Mr. Speaker, that voluntary compliance sounds an awful lot like voluntary manslaughter, if you know what I mean.

A national poll says that this bill, changing the burden of proof, that a taxpayer is innocent until proven guilty, is the highest-rated supported bill in almost 10 years. And the American people, 95 percent, say they want the law changed; they say the taxpayers should be considered innocent until proven guilty.

I say, Congress would be wise to listen to the American people once in a while. Sign discharge petition No. 12. If it's good enough for the "Son of Sam"—it should be OK for Mom and Dad.

#### NOT A TOUGH CRIME BILL

(Mr. EVERETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVERETT. Mr. Speaker, why is it that conservative Republicans and Democrats do not support the crime bill, but liberal Democrats do support it?

Does anyone believe if this was really tough anti-crime legislation that conservatives would not support the bill? Come on, let us get back to reality here. This crime bill is an ineffective response to an incredible problem.

Our criminal justice system does not work because criminals rarely face justice. And the frustration most Americans feel about that reality is what drives their desire for a tough crime bill. The liberal impulse on crime no longer resonates with the American people. It is not society's fault that criminals commit crimes: It is the criminals' fault.

But the crime bill perpetuates the myth that criminals are not at fault when they commit their heinous crimes. The crime bill seeks to build self-esteem. It gives social welfare workers more money for vague and poorly thought-out programs.

Write a good, tough bipartisan crime bill, Congress, and it will pass.

#### A PERFECT EXAMPLE

(Mr. BALLENGER asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the battle over the crime bill is a perfect example of what is wrong with Democrat leadership in the Congress and in the country.

Instead of working with Republicans to craft a bill that would punish criminals, Democrat leaders ignored Republicans in the conference and produce a bill that would punish taxpayers. Instead of providing money to fund 100,000 new police officers, the conference report only provides enough money for 20,000. Instead of keeping tough language that would inform neighborhoods about sexual predators, the conference report radically weakened that language.

Mr. Speaker, President Clinton and House Democrat leaders have ignored, vilified, and condemned Republicans for trying to craft a real anticrime bill.

They have slapped away our efforts to work with them in an effort to find real punishments for criminals. They have politicized this issue for narrow partisan reasons, and that is a shame.

#### LET US PREVENT CRIME

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I thought it might be fun to just come and put a few facts out here about the crime bill.

The fact is when the crime bill passed the House the first time, it had half a billion dollars more, more in prevention spending than it had when it failed last week. And 65 Members on the other side voted for that.

So it was out.

We were lower on the violence against women Act. Guess what? The bill we turned down last week had more money for that. We also passed in this House an assault weapons ban, which I think a reasonably prudent American would think belonged in a crime bill.

So we have a crime bill that I think makes an inordinate amount of sense, adds all sorts of new punishment—in fact, we have had Members say they could not take all that punishment—but it also deals with the prevention part because until you deal with the prevention part, you are not going to stop crime in America.

Of the crimes committed in America today, 91 percent they never make an arrest for. So if you can work on that end, we are going to have much safer streets.

That is why this was such a smart bill. How tragic it is we did not have it passed.

#### CONGRATULATIONS DUE CONGRESSMAN BOB INGLIS ON BIRTH OF DAUGHTER

(Mr. HUTCHINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUTCHINSON. Mr. Speaker, I rise today to offer hearty congratulations to my dear friend and colleague, Congressman BOB INGLIS of South Carolina, the proud father of a baby girl born Sunday, August 14, at 7:05 am at Greenville Memorial Hospital in Greenville, SC. Mabel Andrews Inglis weighed in at 7 pounds 13 ounces and she and Mary Anne are doing fine. This is their fourth child, so I join my colleagues in wishing them best wishes.

#### SUPPORT THE GUARANTEED HEALTH INSURANCE ACT

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, the health care status quo keeps 38 million Americans uninsured and millions more underinsured. If Congress does not reform the system, we can expect these people to stay that way.

That is why America supports comprehensive reform. It is becoming clear that alternatives to the plan will not work. Half-way insurance reforms and subsidies only lead to higher premiums and less coverage.

That is why these long time advocates for health care reform support the Gephardt bill:

The Lupus Foundation of America; the American Counseling Association; Eldercare America, Inc., the AIDS Action Council; the National Osteoporosis Foundation; the Foundation of Behavioral, Psychological, and Cognitive Sciences; the Alzheimer's Association; the National Psoriasis Foundation; the American Council for the Blind; the Human Rights Campaign Fund, and the Association of Maternal and Child Health Programs.

Give America serious reform. Support the Guaranteed Health Insurance Act.

□ 1210

#### NO HELP NEEDED FROM MEXICO ON SOS

(Mr. CALVERT asked and was given permission to address the House for 1 minute.)

Mr. CALVERT. Mr. Speaker, yesterday, Mexican Deputy Foreign Minister Andres Rozental denounced the Save Our State proposition on the California ballot.

He said his Government would work closely with those in our State who oppose the proposition in order to bring about its defeat.

Well, thank you very much, Mr. Rozental, but the people of California are perfectly capable of determining public policy without the help of a foreign government.

If the Mexican Government wishes to be helpful to our state, perhaps their public officials will consider making a greater effort to keep their citizens from violating the immigration laws of the United States.

Mr. Speaker, the Save Our State or SOS initiative in California is not an anti-Mexican or anti-anybody proposition. It is a pro-American initiative. And, that means a pro-Irish American; pro-Japanese American; pro-Vietnamese American, and yes, Mr. Speaker, it is a pro-Mexican-American proposition.

SOS is not aimed against anyone. It is aimed at protecting the economy of California so that it will continue to be a land of opportunity for past, present and future legal immigrants.

So, thank you for your interest, Mr. Rozental, but the people of California will decide this issue, not the public officials of our neighbor and friend to the south.

#### WHAT THE CRIME BILL IS AND IS NOT

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, the President's credibility is being stretched beyond the breaking point, far beyond the debate over the crime bill. Let us remember that this is the administration that began by calling a tax a contribution, by calling spending an investment, and now we see a social welfare bill being called an anticrime bill, and the message is getting out to the American people.

Eight billion dollars in this anticrime bill is for arts and crafts, midnight basketball and other social welfare spending, all in the name of being anticrime, this at the same time when we are being told a hundred thousand new policemen are going to be put on the streets, yet we realize that only 20,000 policemen will be put on the street temporarily by this bill when all of that social welfare spending that I just mentioned is permanent by this bill.

Mr. Speaker, the American people can see what is in this bill and what is not in this bill. They can see that the provisions I worked for strenuously to deport criminal illegal aliens once they have served their term, that was taken out of the bill, as were other very heavy law enforcement, strong law enforcement, issues. Instead what we have is a social welfare bill that is being mislabeled, and I say, "If you believe that taxation is nothing more than a contribution, you'll believe this is an anticrime bill."

# ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. TRAFICANT). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken at the end of legislative business today, but not before 5 p.m.

## SATELLITE HOME VIEWER ACT OF 1994

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1103) to amend title 17, United States Code, with respect to secondary transmissions of superstations and network stations of private home viewing, and with respect to cable systems, as amended.

The Clerk read as follows:

H.R. 1103

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Satellite Home Viewer Act of 1994".

### SEC. 2. STATUTORY LICENSE FOR SATELLITE CARRIERS.

Section 119 of title 17, United States Code, is amended as follows:

(1) Subsection (a)(2)(C) is amended—

(A) by striking "90 days after the effective date of the Satellite Home Viewer Act of 1988, or";

(B) by striking "whichever is later,";

(C) by inserting "name and" after "identifying (by)" each place it appears; and

(D) by striking ", on or after the effective date of the Satellite Home Viewer Act of 1988,".

(2) Subsection (a)(5) is amended by adding at the end the following:

"(D) BURDEN OF PROOF.—In any action brought under this paragraph, the satellite carrier shall have the burden of proving that its secondary transmission of a primary transmission by a network station is for private home viewing to an unserved household."

(3) Subsection (b)(1)(B) is amended—

(A) in clause (i) by striking "12 cents" and inserting "17.5 cents per subscriber in the case of superstations not subject to syndicated exclusivity under the regulations of the Federal Communications Commission, and 14 cents per subscriber in the case of superstations subject to such syndicated exclusivity"; and

(B) in clause (ii) by striking "3" and inserting "6";

(4) Subsection (c) is amended—

(A) in paragraph (1) by striking "December 31, 1992,";

(B) in paragraph (2)—

(i) in subparagraph (A) by striking "July 1, 1991" and inserting "January 1, 1996"; and

(ii) in subparagraph (D) by striking "December 31, 1994" and inserting "December 31, 1999, or in accordance with the terms of the agreement, whichever is later";

(C) in paragraph (3)—

(i) in subparagraph (A) by striking "December 31, 1991" and inserting "July 1, 1996";

(ii) by amending subparagraph (D) to read as follows:

"(D) ESTABLISHMENT OF FAIR MARKET RATES.—In determining royalty fees under this paragraph, the Arbitration Panel shall establish a rate, for the secondary transmission of network stations and superstations, that reflects the fair market value of such secondary transmissions. The Arbitration Panel shall base its decision upon economic, competitive, and programming information presented by the parties, and shall take into account the competitive environment in which such programming is distributed.";

(iii) in subparagraph (E) by striking "60" and inserting "180"; and

(iv) in subparagraph (G) by striking ", or until December 31, 1994".

(5) Subsection (a) is amended—

(A) in paragraph (5)(C) by striking "the Satellite Home Viewer Act of 1988" and inserting "this section"; and

(B) by adding at the end the following:

"(8) TRANSITIONAL SIGNAL INTENSITY MEASUREMENT PROCEDURES.—

"(A) IN GENERAL.—Subject to subparagraph (C), upon a challenge by a network station regarding whether a subscriber is an unserved household within the predicted Grade B Contour of the station, the satellite carrier shall, within 60 days after the receipt of the challenge—

"(i) terminate service to that household of the signal that is the subject of the challenge, and within 30 days thereafter notify the network station that made the challenge that service to that household has been terminated; or

"(ii) conduct a measurement of the signal intensity of the subscriber's household to determine whether the household is an unserved household.

"(B) EFFECT OF MEASUREMENT.—If the satellite carrier conducts a signal intensity measurement under subparagraph (A) and the measurement indicates that—

"(i) the household is not an unserved household, the satellite carrier shall, within 60 days after the measurement is conducted, terminate the service to that household of the signal that is the subject of the challenge, and within 30 days thereafter notify the network station that made the challenge that service to that household has been terminated; or

"(ii) the household is an unserved household, the station challenging the service shall reimburse the satellite carrier for the costs of the signal measurement within 60 days after receipt of the measurement results and a statement of the costs of the measurement.

"(C) LIMITATION ON MEASUREMENTS.—(i) Notwithstanding subparagraph (A), a satellite carrier may not be required to conduct signal intensity measurements during any calendar year in excess of 5 percent of the number of subscribers within the network station's local market that have subscribed to the service as of the effective date of the Satellite Home Viewer Act of 1994.

"(ii) If a network station challenges whether a subscriber is an unserved household in excess of 5 percent of the subscribers within the network's station local market within a calendar year, subparagraph (A) shall not apply to challenges in excess of such 5 percent, but the station may conduct its own signal intensity measurement of the subscriber's household. If such measurement indicates that the household is not an unserved household, the carrier shall, within 60 days after receipt of the measurement, terminate service to the household of the signal that is the subject of the challenge and within 30 days thereafter notify the network station that made the challenge that service has been terminated. The carrier shall also, within 60 days after receipt of the measurement and a statement of the costs of the measurement, reimburse the network station for the cost it incurred in conducting the measurement.

"(D) OUTSIDE THE PREDICTED GRADE B CONTOUR.—(i) If a network station challenges whether a subscriber is an unserved household outside the predicted Grade B Contour of the station, the station may conduct a measurement of the signal intensity of the subscriber's household to determine whether the household is an unserved household.

"(ii) If the network station conducts a signal intensity measurement under clause (i) and the measurement indicates that—

"(I) the household is not an unserved household, the station shall forward the results to the satellite carrier who shall, within 60 days after receipt of the measurement, terminate the service to the household of the signal that is the subject of the challenge, and shall reimburse the station for the costs of the measurement within 60 days after receipt of the measurement results and a statement of such costs; or

"(II) the household is an unserved household, the station shall pay the costs of the measurement.

"(9) LOSER PAYS FOR SIGNAL INTENSITY MEASUREMENT; RECOVERY OF MEASUREMENT COSTS IN A CIVIL ACTION.—In any civil action filed relating to the eligibility of subscribing households as unserved households—

"(A) a network station challenging such eligibility shall reimburse the satellite carrier for any signal intensity measurement that is conducted by that carrier in response to a challenge by the network station and that establishes the household is an unserved household; and

"(B) a satellite carrier shall reimburse the network station challenging such eligibility for any signal intensity measurement that is conducted by that station and that establishes the household is not an unserved household.

"(10) INABILITY TO CONDUCT MEASUREMENT.—If a network station makes a reasonable attempt to conduct a site measurement of its signal at a subscriber's household and is denied access for the purpose of conducting the measurement, the satellite carrier shall within 60 days notice thereof, terminate service of the station's network to that household."

(6) Subsection (d) is amended—

(A) by amending paragraph (2) to read as follows:

"(2) NETWORK STATION.—The term 'network station' means—

"(A) a television broadcast station, including any translator station or terrestrial satellite station that rebroadcasts all or substantially all of the programming broadcast by a network station, that is owned or operated by, or affiliated with, one or more of the television networks in the United States which offer an interconnected program service on a regular basis for 15 or more hours per week to at least 25 of its affiliated television licensees in 10 or more States; or

"(B) a noncommercial educational broadcast station (as defined in section 397 of the Communications Act of 1934).";

(B) in paragraph (6) by inserting "and operates in the Fixed-Satellite Service under part 25 of title 47 of the Code of Federal Regulations or the Direct Broadcast Satellite Service under part 100 of title 47 of the Code of Federal Regulations" after "Commission"; and

(C) by adding at the end the following:

"(11) LOCAL MARKET.—The term 'local market' means the area encompassed within a network station's predicted Grade B contour as that contour is defined by the Federal Communications Commission."

### SEC. 3. DEFINITIONS.

(a) CABLE SYSTEM.—Section 111(f) of title 17, United States Code, is amended in the paragraph relating to the definition of "cable system" by inserting "microwave," after "wires, cables,".

(b) LOCAL SERVICE AREA.—Section 111(f) of title 17, United States Code, is amended in the

paragraph relating to the definition of "local service area of a primary transmitter" by inserting after "April 15, 1976," the following: "or such station's television market as defined in section 76.55(e) of title 47, Code of Federal Regulations (as in effect on September 18, 1993), or any modifications to such television market made, on or after September 18, 1993, pursuant to section 76.55(e) or 76.59 of title 47 of the Code of Federal Regulations.".

#### SEC. 4. TERMINATION.

(a) EXPIRATION OF AMENDMENTS.—Section 119 of title 17, United States Code, as amended by section 2 of this Act, ceases to be effective on December 31, 1999.

(b) CONFORMING AMENDMENT.—Section 207 of the Satellite Home Viewer Act of 1988 (17 U.S.C. 119 note) is repealed.

#### SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsections (b) and (d), this Act and the amendments made by this Act take effect on the date of the enactment of this Act.

(b) BURDEN OF PROOF PROVISIONS.—The provisions of section 119(a)(5)(D) of title 17, United States Code (as added by section 2(2) of this Act) relating to the burden of proof of satellite carriers, shall take effect on January 1, 1997, with respect to civil actions relating to the eligibility of subscribers who subscribed to service as an unserved household before the date of the enactment of this Act.

(c) TRANSITIONAL SIGNAL INTENSITY MEASUREMENT PROCEDURES.—The provisions of section 119(a)(8) of title 17, United States Code (as added by section 2(5) of this Act), relating to transitional signal intensity measurements, shall cease to be effective on December 31, 1996.

(d) LOCAL SERVICE AREA OF A PRIMARY TRANSMITTER.—The amendment made by section 3(b), relating to the definition of the local service area of a primary transmitter, shall take effect on July 1, 1994.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes, and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I rise in support of H.R. 1103, the Satellite Home Viewers Act of 1994.

House Resolution 1103 has several purposes. It extends until December 31, 1999, the compulsory license in section 119, Title 17, United State Code, which is now scheduled to expire at the end of this year. That license permits satellite carriers to deliver television programming to the public for private home viewing so long as they have complied with the conditions for the compulsory license.

The bill also clarifies that wireless cable television systems are entitled to avail themselves of the section 111 compulsory license. And, it amends the definition of "Local service area of a primary transmitter" in section 111(F) to correct an anomaly in the Copyright Act that has resulted in newer television stations being treated as distant signals while older stations in the same geographic area are treated as local signals, and I want to commend the particularly fine work of this committee's subcommittee on Intellectual

Property and Judicial Administration. The chairman of that subcommittee the gentleman from New Jersey [Mr. HUGHES] has done an outstanding job, and I just want to say again that we deeply regret that he is retiring and we will no longer have the advantages of his fine service and his keen intellect. The gentleman from California [Mr. MOORHEAD], the ranking Republican, has worked tirelessly on this matter and deserves much credit as well. In addition subcommittee members, the gentleman from Oklahoma [Mr. SYNAR] and the gentleman from Virginia [Mr. BOUCHER], have played a very prominent role in developing a proper, workable policy in this area and will continue to do so, and I urge all Members to support passage of H.R. 1103.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to commend our subcommittee chairman, the gentleman from New Jersey [Mr. HUGHES] for his hard work and leadership in this area; also the gentleman from New York [Mr. FISH] has been instrumental in drafting and moving this legislation to the floor. Also, the chairman, the gentleman from Texas [Mr. BROOKS] has been helpful.

Although the main purpose of this legislation is a 5-year extension of the Satellite Home Viewer Act which this subcommittee processed in 1988, this bill also contains a provision dealing with the definition of wireless cable which is very similar to a bill, H.R. 759, that the gentleman from Virginia [Mr. BOUCHER] and I introduced and which was part of the overall hearings on H.R. 1103. That bill was prompted by a 1992 ruling by the Register of Copyrights that would strip the industry of its compulsory license which it has enjoyed for a number of years under section 111 of the Copyright Act.

The bill before us today, provides that wireless and other cable-like systems will be made part of the compulsory license. I believe it is important to encourage these new technologies because they will become real competitors of cable TV in the marketplace. Competition is an important factor in keeping cable TV rates at a reasonable price. The consumer will be the ultimate benefactor of this increase in competition.

In 1988 when we drafted the original Satellite Home Viewer Act we intended that after 6 years the industry involved would be able to move into voluntary private contracts for the licensing of copyrighted programming. Although the act has worked very well we are not yet to that point where the marketplace can take over, so we still need the regulation provided in H.R. 1103. However, I am pleased to see that during the next negotiations that the arbi-

trators will at least be able to consider the fair market value of this copyrighted programming; that is, if the parties have been unable to come to an agreement on their own. But I think we have come a long way—it is important legislation, and I urge a favorable vote on H.R. 1103.

Mr. BROOKS. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from New Jersey [Mr. HUGHES] chairman of the Subcommittee on Intellectual Property and Judicial Administration.

Mr. HUGHES. Mr. Speaker, I rise in support of H.R. 1103, the Satellite Home Viewer Act of 1994. H.R. 1103 will extend the current compulsory license in section 119 of the Copyright Act until December 31, 1999. This extension ensures that millions of Americans who cannot receive over-the-air television signals or cable will have access to network signals.

At the same time, H.R. 1103 makes a number of improvements in the existing statute, including a voluntary system of testing households for unserved status, and establishment of fair market value as the benchmark by which arbitrators will set the midcourse rate adjustment. H.R. 1103 also requires that the names of subscribers be provided. In some cases, current contracts between satellite carriers and their distributors regard these names as proprietary to the distributor. For this reason, network stations should work with the carriers during an expected transition period while these contracts are being redone. I would like to take the balance of my time explaining this last provision.

The section 119 compulsory license is a government set fee for the unconsented to use of copyrighted television programming. It is not a free market rate; it is, basically, a government-mandated subsidy by copyright owners for the benefit of satellite carriers. Having paid a subsidized rate, satellite carriers sell copyright owners' programming to consumers at whatever the market will bear.

The difference between the compulsory license rate paid by satellite carriers to copyright owners, and the rate they charge consumers is eye opening. For the three network signals, satellite carriers pay copyright owners a total of \$2.16 a year. One carrier charges consumers \$50 a year for these same signals, a mark up of \$47.84.

I have heard concerns that H.R. 1103, by requiring the arbitrators to set a fair market rate in late 1996, will discourage satellite carriers from competing with cable. I don't agree. In most cases, there are no cable systems to compete with. Most rural Americans have a single source—the satellite carrier—and we've seen what satellite carriers charge in the absence of competition.

As importantly, cable has invested heavily in satellite carriers. TCI, our

largest cable company, owns an 80-percent share in one of the two satellite carriers delivering network signals, and a 23-percent interest in the other.

This is not a dispute between copyright owners and rural dish owners. It is, instead, an understandable effort by cable companies and their satellite partners to hang on to a profitable government subsidy, a subsidy they are receiving at the expense of copyright owners. If my colleagues are concerned about the prices home dish owners are being charged, and I believe there is reason for such concern, the source of that concern cannot be the meager \$2.16 network copyright owners receive. One solution may be found in last Congress's Cable Act's price discrimination provisions. There may be others, and I will be pleased to explore any suggestions my colleagues may develop.

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Mr. Speaker, this is a good bill. I do not think there is any great controversy, although we do have to resolve some differences in conference.

Mr. Speaker, I want to commend the gentleman from Texas [Mr. BROOKS], the distinguished chairman of the full committee, and his ranking Republican, the gentleman from New York [Mr. FISH]. I want to thank in particular the gentleman from California [Mr. MOORHEAD], who is my partner and colleague on the Subcommittee on Intellectual Property and Judicial Administration, for his work. I commend also the gentleman from Virginia [Mr. BOUCHER], as well as the gentleman from Oklahoma [Mr. SYNAR], who has worked very hard on this particular legislation.

The staff has worked very hard on this and on other bills that are pending on the Senate side. I am referring to Hayden Gregory, the chief counsel, and his counterpart, Tom Mooney, on the Republican side, along with Bill Patry on the majority side, and Joe Wolfe on the minority side. I commend them for their work also.

Mr. Speaker, it is a good bill, and I urge my colleagues to support it.

Mr. MOORHEAD. Mr. Speaker, I reserve the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Virginia [Mr. BOUCHER], a member of the committee.

Mr. BOUCHER. Mr. Speaker, I want to express my appreciation to the gentleman from Texas [Mr. BROOKS], the distinguished chairman of our committee, for yielding this time to me, and also I wish to commend him for his leadership. I commend also the gentleman from New Jersey [Mr. HUGHES] for his leadership in bringing the Home Satellite Viewer Act through the committee process and onto the House floor.

In 1988 we enacted the initial version of this legislation for the very impor-

tant purpose of assuring that owners of backyard satellite dishes could receive unscrambled signals from the major networks. In the 1980's networks were beginning to scramble their signals, and millions of backyard dish owners found that they could no longer receive the popular programming provided by CBS, ABC, and NBC, the major networks. The 1988 act was a response to the need of dish owners to receive that programming.

At the same time, in 1988 we took into account the entirely legitimate concern of local broadcast stations that carried the networks that they not lose viewers due to dish owners subscribing to network signals over the satellite rather than picking up the signal over the air from local broadcast stations. In striking a balance between these competing interests, the 1988 act assured that dish owners could subscribe to satellite-delivered network signals but only if they could not receive that signal by some other means, namely, over the air from the local broadcast station or by means of cable TV.

During the past 6 years millions of primarily rural viewers have benefited by receiving network-delivered satellite signals from the major networks. There has, however, been controversy, as local stations charged that many dish owners who subscribed to network-delivered signals could have received those same signals by means of a local broadcast from the local affiliate. Local stations argued that this practice deprived them of viewers and, therefore, deprived them of advertising revenues, and they pointed out that the problem could worsen as direct broadcast satellite services that transmit from a very high-powered satellite to very small 18-inch dishes become available nationwide and, therefore, expand the number of viewers who receive signals generally by means of satellite delivery.

The bill that we consider today contains new provisions written with the assistance of the satellite carriers and the local network affiliates that will specify how to ascertain whether dish owners are eligible to receive satellite-delivered network signals. The controversy between local affiliates and the satellite networks had threatened the long-term viability of the satellite license and the ability of people who live beyond the reach of local stations to receive network signals.

We have structured a workable agreement, and I want to thank the parties to it for approaching this reform legislation in such a constructive manner. I also want to express thanks to the gentleman from California [Mr. MOORHEAD] with whom I was pleased to introduce legislation at the start of this Congress to renew the 1988 license. It is always a pleasure to work with him. I also want to commend the gentleman

from Oklahoma [Mr. SYNAR] for his very fine work on this measure.

Mr. Speaker, I urge the adoption of H.R. 1103.

Mr. SYNAR. Mr. Speaker, H.R. 1103, the Satellite Home Viewer Act is necessary legislation that will amend the copyright law to extend the satellite compulsory license. Compulsory licenses, first enacted for the nascent cable industry, and later for an infant satellite broadcast industry, allow the transmission of copyrighted television programming in return for a statutorily determined fee. The compulsory license mechanism has been essential for the development of the cable and satellite broadcast industry by facilitating the clearance of the thousands of copyrights related to television programming thereby ensuring access to that programming by cable system operators and satellite broadcasters.

H.R. 1103, which extends the satellite compulsory license for a period of 5 years, will also reform the arbitration process used to arrive at the statutorily determined copyright royalty fee charged to satellite broadcasters for retransmitting copyrighted programming. Under the legislation, future adjustments of the royalty fees payable under section 119 of the Copyright Act for secondary transmissions by satellite carriers are to be determined by arbitration panels applying a fair market value standard.

This concept, strongly favored by the chief sponsor of H.R. 1103, Congressman HUGHES, is an attempt to embody a worthy policy goal—to direct the arbitration panel to come up with a royalty fee that replicates, as closely as possible, the price two private parties negotiating on their own behalf would agree to. Unfortunately, while it is an honest attempt, fair market value as contemplated in H.R. 1103, will not result in a fair outcome of the arbitration proceeding.

I fear such an outcome because the arbitration panels are given very little guidance in H.R. 1103 as to what fair market value means. Aside from the business uncertainty this will foster, without any real direction in the statute itself, Panel members will necessarily have to look elsewhere to divine what fair market value is supposed to mean. Unfortunately, there is virtually no other place for the panels to look for the guidance they will need to set a fair royalty fee rate. They cannot look to current law because there is no concept of fair market value anywhere else in the copyright code. They cannot look to an already established private market to set the fee for broadcast signals because there is no existing private market to look to. And finally, the little guidance H.R. 1103 does offer discourages the arbitration panel from doing what they have always done in the past—take into account the royalty fees paid by the satellite industry's chief competitor—the cable industry.

Which raises the other serious concern I have with the concept of fair market value. Because the compulsory license under which the cable industry operates does not look to fair market value to set the fees charged to cable for the retransmission of programming, I fear that fair market value will put satellite industry at a competitive disadvantage to cable by charging satellite carriers more in copyright fees for carrying the exact same programming

carried by cable. The satellite industry directly competes with cable right now.

Thirty to forty percent of all satellite dish households live in areas wired for cable. Already, satellite carriers pay higher copyright fees than cable for carrying the same exact programs carried by cable. If fair market value is enacted, I fear this gap will grow. For consumers who have a choice between satellite and cable, this will make satellite services a less attractive alternative to cable television, thus denying the benefits of effective video competition to consumers around the country.

Fair market value becomes even more troublesome when one considers the potential impact on the infant Direct Broadcast Satellite (DBS) industry which is expected to directly compete with cable in urban and suburban America in the coming years. DBS, whose copyright royalty fees will also be determined under the proposed arbitration reforms of H.R. 1103, could see its price of programming raised relative to the cost of programming for cable systems. This could immediately put this newborn industry at a competitive disadvantage to cable at a time when Congress is trying to encourage vigorous cable competition for the benefit of video consumers.

For these reasons, the Senate, in its consideration of similar legislation, rejected the concept of fair market value. Others, including the Consumer Federation of America and the House Rural Caucus have ratified the Senate's position by opposing H.R. 1103's ill-defined notion of fair market value.

It is my hope that if this bill reaches a House-Senate conference, the House will recede to the relevant Senate provisions and preserve the royalty fee arbitration process found in current law. While I agree with Mr. HUGHES that Congress must move this process in a direction that more closely resembles the negotiations of private parties, I cannot support the concept of fair market value currently found in H.R. 1103. It's lack of guidance for the Copyright Office's arbitration panels will ultimately hurt competition in the video programming distribution industry and that is bad public policy.

For these reasons I urge my colleagues to vote against this legislation.

Ms. LONG. Mr. Speaker, I rise today in support of H.R. 1103, legislation to extend satellite broadcast retransmission rights.

As Chair of the Congressional Rural Caucus, I strongly support the provisions of H.R. 1103 to ensure that rural home satellite dish consumers will be able to continue to receive retransmitted broadcast programming. This is essential because in many rural areas satellite technologies represent the only way that rural families can receive the kind of information and entertainment programming that many urban Americans take for granted.

However, I remain concerned with provisions in the legislation which could result in unfair discrimination against these same rural families. Specifically, this legislation would sever the link between cable and satellite fees and instruct an arbitration panel to determine these fees based on fair market value. I, along with many other members of the Rural Caucus, believe that this could lead to unfair, and increased rates for our rural constituents.

Mr. Speaker, rural satellite television consumers are already charged higher retrans-

mission fees than cable subscribers. On behalf of my rural colleagues, I respectfully request that the House conferees recede to the Senate on this matter. In addition, I have included following my statement a letter signed by 32 members of the Rural Caucus on this matter.

The letter follows:

CONGRESSIONAL RURAL CAUCUS,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, June 14, 1994.

Hon. JACK BROOKS,  
Chairman, Judiciary Committee, Washington, DC.

Hon. WILLIAM J. HUGHES,  
Chairman, Judiciary Subcommittee on Intellectual Property and Judicial Administration, Washington, DC.

DEAR CHAIRMAN BROOKS AND CHAIRMAN HUGHES: As Members of the Congressional Rural Caucus, we write to thank Chairman Hughes and his Subcommittee for their hard work on H.R. 1103. This legislation is essential to the many rural Americans who are unable to receive either cable or clear off-the-air broadcast programming; and thus rely on satellite technologies to receive the popular news, information, entertainment and other video programming that many urban Americans take for granted.

While we are supportive of the intent of H.R. 1103, we have specific concerns with the legislation that we hope can be addressed in an appropriate manner. In particular, we are concerned that as currently written, this legislation could impose an unjustifiable and disproportionate rate increase on rural satellite home viewers.

As you know, rural satellite home viewers are able to receive network and superstation broadcast programming through the compulsory license provided by the Satellite Home Viewer Act (SHVA) of 1988—which expires at the end of 1994. While H.R. 1103 extends the SHVA compulsory license, we are concerned with the provisions of H.R. 1103 that would serve to (1) sever the link between the rates paid for satellite retransmission compared with rates paid by cable companies, and (2) establish a new pricing approach for satellite rates while continuing the statutory formula for determining cable rates.

Although H.R. 1103 would not alter the formula used for determining cable fees, it would fundamentally alter the criteria used for setting these fees for retransmission to home satellite dish consumers. Under current law, fees for broadcast retransmission for the satellite industry are determined by an arbitration panel (established by the SHVA) based on several factors, the first of which is the "approximate average cost to a cable system for the right to secondarily transmit to the public a primary transmission made by a broadcast station."

Under H.R. 1103 these satellite fees would no longer be based on the average cost to cable operators—which are determined by a statutory formula—but instead on the "fair market value" of the retransmitted signals. We believe that this unprecedented "fair market value" determination could result in substantially higher rates for satellite carriers compared to their cable counterparts.

Our rural constituents should not be asked to pay more money to receive the same network and superstation programming commonly available in cable-wired urban areas simply because they utilize satellite technologies. Satellite carriers already pay substantially more than the average rates paid by cable companies for retransmission of broadcast signals—with no difference in the

costs to broadcasters or copyright owners providing these signals.

With this in mind, we respectfully request that you amend H.R. 1103 to continue the criteria of current law—which was recently approved by the Senate in S. 1485. We believe that this is an essential step to ensure that our rural satellite television consumers are not unfairly disadvantaged or used to test a new pricing approach from which the predominantly urban cable industry is exempted.

Again, we appreciate the work so far, and are hopeful that we can fully support this bill as it moves through Congress. In advance, thank you for your serious consideration of our views.

Sincerely,

JILL LONG, Chair.  
MARTIN LANCASTER, Vice  
Chair.

PAT ROBERTS.  
BILL RICHARDSON.  
COLLIN C. PETERSON.

CHARLES WILSON.  
PETER A. DEFAZIO.  
EARL POMEROY.

TIM JOHNSON.  
CHARLES H. TAYLOR.  
KARAN ENGLISH.

PETE PETERSON.  
JAMES E. CLYBURN.  
JIM CHAPMAN.

THOMAS J. BARLOW.  
DAVID MINGE.  
EVA M. CLAYTON.

IKE SKELTON.  
STEVE GUNDERSON.  
MICHAEL G. OXLEY.

FRED UPTON.  
FLOYD SPENCE.  
BARBARA F. VUCANOVICH.

CHARLIE ROSE.  
JOHN M. SPRATT.  
JIM COOPER.

PAT DANNER.  
PAT WILLIAMS.  
BILL ORTON.

DOUG BEREUTER.  
JOHN M. MCHUGH.  
MIKE PARKER.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TRAFICANT). The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the bill, H.R. 1103, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the Senate bill (S. 1485) to extend certain satellite carrier compulsory licenses, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1485

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Satellite Compulsory License Extension Act of 1994".

#### SEC. 2. STATUTORY LICENSE FOR SATELLITE CARRIERS.

Section 119 of title 17, United States Code, is amended—

(1) in subsection (a)(2)(C)—  
(A) by striking out "90 days after the effective date of the Satellite Home Viewer Act of 1988, or";

(B) by striking out "whichever is later,";  
(C) by inserting "name and" after "identifying (by)" each place it appears; and

(D) by striking out ", on or after the effective date of the Satellite Home Viewer Act of 1988,";

(2) in subsection (a)(5)—

(A) in subparagraph (C) by striking out "the Satellite Home Viewer Act of 1988" and inserting in lieu thereof "this section"; and

(B) by adding at the end thereof the following new subparagraphs:

"(D) BURDEN OF PROOF.—In any action brought under this subsection, the satellite carrier shall have the burden of proof (in the case of a primary transmission by a network station) that a subscriber is an unserved household.

"(E) SIGNAL INTENSITY MEASUREMENT; LOSER PAYS.—

"(i) GRADE B CONTOUR.—(I) Within the Grade B Contour, upon a challenge by a network affiliate regarding whether a subscriber is an unserved household, the satellite carrier shall—

"(aa) deauthorize service to that household; or

"(bb) conduct a measurement of the signal intensity of the subscriber's household to determine whether the household is unserved.

"(II) If the carrier conducts a signal intensity measurement under subclause (I) and the measurement indicates that—

"(aa) the household is not an unserved household, the carrier shall immediately deauthorize the service to that household; or

"(bb) the household is an unserved household, the affiliate challenging the service shall reimburse the carrier for the costs of the signal measurement, within 45 days after receipt of the measurement results and a statement of the costs.

"(III)(aa) Notwithstanding subclause (II), a carrier may not be required to test in excess of 5 percent of the subscribers that have subscribed to service before the effective date of the Satellite Compulsory License Extension Act of 1994, within any market during a calendar year.

"(bb) If a network affiliate challenges whether a subscriber is an unserved household in excess of the 5 percent of the subscribers within any market, the affiliate may conduct its own signal intensity measurement. If such measurement indicates that the household is not an unserved household, the carrier shall immediately deauthorize service to that household and reimburse the affiliate, within 45 days after receipt of the measurement and a statement of costs.

"(ii) OUTSIDE THE GRADE B CONTOUR.—(I) Outside the Grade B Contour, if a network affiliate challenges whether a subscriber is an unserved household the affiliate shall conduct a signal intensity measurement of

the subscriber's household to determine whether the household is unserved.

"(II) If the affiliate conducts a signal intensity measurement under subclause (I) and the measurement indicates that—

"(aa) the household is not an unserved household, the affiliate shall forward the results to the carrier who shall immediately deauthorize service to the household, and reimburse the affiliate within 45 days after receipt of the results and a statement of the costs; or

"(bb) the household is an unserved household, the affiliate shall pay the costs of the measurement.

"(iii) RECOVERY OF MEASUREMENT COSTS IN A CIVIL ACTION.—In any civil action filed relating to the eligibility of subscribing households, a challenging affiliate shall reimburse a carrier for any signal intensity measurement that indicates the household is an unserved household."

(3) in subsection (b)(1)(B)—

(A) in clause (i) by striking out "12 cents" and inserting in lieu thereof "17.5 cents per subscriber in the case of superstations not subject to syndicated exclusivity under the regulations of the Federal Communications Commission, and 14 cents per subscriber in the case of superstations subject to such syndicated exclusivity"; and

(B) in clause (ii) by striking out "3" and inserting in lieu thereof "6";

(4) in subsection (c)—

(A) in the heading for paragraph (1) by striking out "DETERMINATION" and inserting in lieu thereof "ADJUSTMENT";

(B) in paragraph (1)—

(i) by striking out "December 31, 1992, unless"; and

(ii) by striking out "After that date," and inserting in lieu thereof "All adjustments of";

(C) in paragraph (2)—

(i) in subparagraph (A) by striking out "July 1, 1991," and inserting in lieu thereof "January 1, 1996,"; and

(ii) in subparagraph (D) by striking out "until December 31, 1994" and inserting in lieu thereof "in accordance with the terms of the agreement"; and

(D) in paragraph (3)(A) by striking out "December 31, 1991," and inserting in lieu thereof "July 1, 1996,"; and

(5) in subsection (d)—

(A) by amending paragraph (2) to read as follows:

"(2) NETWORK STATION.—The term 'network station' means—

"(A) a television broadcast station, including any translator station or terrestrial satellite station that rebroadcasts all or substantially all of the programming broadcast by a network station, that is owned or operated by, or affiliated with, one or more of the television networks in the United States which offer an interconnected program service on a regular basis for 15 or more hours per week to at least 25 of its affiliated television licensees in 10 or more States; or

"(B) any noncommercial educational station, as defined in section 111(f) of this title, that is a member of the public broadcasting service."; and

(B) in paragraph (6) by inserting "and operates in the Fixed Satellite Service under part 25 of title 47 of the Code of Federal Regulations or the Direct Broadcast Satellite Service under part 100 of title 47 of the Code of Federal Regulations," after "Commission."

#### SEC. 3. CABLE COMPULSORY LICENSE.

Section 111(f) of title 17, United States Code, is amended—

(1) in the paragraph relating to the definition of "cable system" by striking out "wires, cables" and inserting in lieu thereof "wires, microwave, cables"; and

(2) in the paragraph relating to the definition of "local service area of a primary transmitter"—

(A) by striking out "comprises the area" and inserting in lieu thereof "comprises either the area"; and

(B) by inserting after "April 15, 1976," the following: "or such station's television market as defined in section 76.55(e) of title 47, Code of Federal Regulations (as in effect on September 18, 1993), or any subsequent modifications to such television market made pursuant to section 76.55(e) or 76.59 of title 47 of the Code of Federal Regulations.".

#### SEC. 4. TERMINATION.

(a) EXPIRATION OF AMENDMENTS.—Section 119 of title 17, United States Code, as amended by section 2 of this Act, ceases to be effective on December 31, 1999.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 207 of the Satellite Home Viewer Act of 1988 (17 U.S.C. 119 note) is repealed.

#### SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided under subsection (b), the provisions of this Act and amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) BURDEN OF PROOF PROVISIONS.—The provisions of section 119(a)(5)(D) of title 17, United States Code, (as added by section 2(2)(B) of this Act) relating to the burden of proof of satellite carriers, shall take effect on January 1, 1997, with respect to civil actions relating to the eligibility of subscribers who subscribed to service as an unserved household before the date of the enactment of this Act.

MOTION OFFERED BY MR. BROOKS

Mr. BROOKS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BROOKS moves to strike all after the enacting clause of the Senate bill, S. 1485, and insert in lieu thereof the provisions of H.R. 1103, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend title 17, United States Code, with respect to secondary transmissions of superstations and network stations for private home viewing, and with respect to cable systems."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 1103) was laid on the table.

APPOINTMENT OF CONFEREES ON S. 1485

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill, S. 1485, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees on S. 1485: Messrs. BROOKS, HUGHES, SYNAR, BOUCHER,

FRANK of Massachusetts, MOORHEAD, COBLE, and FISH.

There was no objection.

□ 1230

**CONCURRING IN SENATE AMENDMENT TO H.R. 1305, MINOR BOUNDARY ADJUSTMENTS AND MISCELLANEOUS PARK AMENDMENTS ACT OF 1993, WITH AN AMENDMENT**

Mr. VENTO. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 520) providing for the concurrence by the House, with an amendment, in the amendment by the Senate to the bill H.R. 1305.

The Clerk read as follows:

H. RES. 520

*Resolved*, That, upon adoption of this resolution, the bill (H.R. 1305) to make boundary adjustments and other miscellaneous changes to authorities and programs of the National Park Service, with the Senate amendment thereto, shall be considered to have been taken from the Speaker's table, and the same hereby agreed to with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate, insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Minor Boundary Adjustments and Miscellaneous Park Amendments Act of 1994".

**TITLE I—MINOR BOUNDARY ADJUSTMENTS**

**SEC. 101. YUCCA HOUSE NATIONAL MONUMENT BOUNDARY ADJUSTMENT.**

(a) **IN GENERAL.**—The boundaries of Yucca House National Monument are revised to include the approximately 24.27 acres of land generally depicted on the map entitled "Boundary—Yucca House National Monument, Colorado", numbered 318/80,001-B, and dated February 1990.

(b) **MAP.**—The map referred to in subsection (a) shall be on file and available for public inspection in appropriate offices of the National Park Service of the Department of the Interior.

(c) **ACQUISITION BY DONATION.**—(1) Within the lands described in subsection (a), the Secretary of the Interior may acquire lands and interests in lands by donation.

(2) The Secretary of the Interior may pay administrative costs arising out of any donation described in paragraph (1) with appropriated funds.

**SEC. 102. ZION NATIONAL PARK BOUNDARY ADJUSTMENT.**

(a) **ACQUISITION AND BOUNDARY CHANGE.**—The Secretary of the Interior is authorized to acquire by exchange approximately 5.48 acres located in the SW¼ of Section 28, Township 41 South, Range 10 West, Salt Lake Base and Meridian. In exchange therefor the Secretary is authorized to convey all right, title, and interest of the United States in and to approximately 5.51 acres in Lot 2 of Section 5, Township 41 South, Range 11 West, both parcels of land being in Washington County, Utah. Upon completion of such exchange, the Secretary is authorized to revise the boundary of Zion National Park to add the 5.48 acres in Section 28 to the park and to exclude the 5.51 acres in Section 5 from the park. Land added to the park shall be administered as part of the park in accordance with the laws and regulations applicable thereto.

(b) **EXPIRATION.**—The authority granted by this section shall expire two years after the date of the enactment of this Act.

**SEC. 103. PICTURED ROCKS NATIONAL LAKE-SHORE BOUNDARY ADJUSTMENT.**

The boundary of Pictured Rocks National Lakeshore is hereby modified as depicted on a map entitled "Area Proposed for Addition to Pictured Rocks National Lakeshore", numbered 625-80, 043A and dated July 1992.

**SEC. 104. INDEPENDENCE NATIONAL HISTORICAL PARK BOUNDARY ADJUSTMENT.**

The administrative boundary between Independence National Historical Park and the United States Customs House along the Moravian Street Walkway in Philadelphia, Pennsylvania, is hereby modified as generally depicted on the drawing entitled "Exhibit 1, Independence National Historical Park, Boundary Adjustment", and dated May 1987, which shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior. The Secretary of the Interior is authorized to accept and transfer jurisdiction over property in accord with such administrative boundary, as modified by this section.

**SEC. 105. CRATERS OF THE MOON NATIONAL MONUMENT BOUNDARY ADJUSTMENT.**

(a) **BOUNDARY REVISION.**—The boundary of Craters of the Moon National Monument, Idaho, is revised to add approximately 210 acres and to delete approximately 315 acres as generally depicted on the map entitled "Craters of the Moon National Monument, Idaho, Proposed 1987 Boundary Adjustment", numbered 131-80,008, and dated October 1987, which map shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior.

(b) **ADMINISTRATION AND ACQUISITION.**—Federal lands, and interests therein deleted from the boundary of the national monument by this section shall be administered by the Secretary of the Interior through the Bureau of Land Management in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), and Federal lands, and interests therein added to the national monument by this section shall be administered by the Secretary as part of the national monument, subject to the laws and regulations applicable thereto. The Secretary is authorized to acquire private lands, and interests therein within the boundary of the national monument by donation, purchase with donated or appropriated funds, or exchange, and when acquired they shall be administered by the Secretary as part of the national monument, subject to the laws and regulations applicable thereto.

**SEC. 106. HAGERMAN FOSSIL BEDS NATIONAL MONUMENT BOUNDARY ADJUSTMENT.**

Section 302 of the Arizona-Idaho Conservation Act of 1988 (102 Stat. 4576) is amended by adding the following new subsection:

"(d) To further the purposes of the monument, the Secretary is also authorized to acquire from willing sellers only, by donation, purchase with donated or appropriated funds, or exchange not to exceed 65 acres outside the boundary depicted on the map referred to in section 301 and develop and operate thereon research, information, interpretive, and administrative facilities. Lands acquired and facilities developed pursuant to this subsection shall be administered by the Secretary as part of the monument. The boundary of the monument shall be modified to include the lands added under this subsection as a noncontiguous parcel."

**SEC. 107. WUPATKI NATIONAL MONUMENT BOUNDARY ADJUSTMENT.**

The boundary of the Wupatki National Monument, Arizona, is hereby revised to include the lands and interests in lands within the area generally depicted as "Proposed Addition 168.89 Acres" on the map entitled "Boundary—Wupatki and Sunset Crater National Monuments, Arizona", numbered 322-80,021, and dated April 1989. The map shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior. Subject to valid existing rights, Federal lands, and interests therein within the area added to the monument by this section are hereby transferred without monetary consideration or reimbursement to the administrative jurisdiction of the National Park Service, to be administered as part of the monument in accordance with the laws and regulations applicable thereto.

**TITLE II—MISCELLANEOUS SPECIFIC PARK AMENDMENTS**

**SEC. 201. ADVISORY COMMISSIONS.**

(a) **KALOKO-HONOKOHAU NATIONAL HISTORICAL PARK, HI.**—

(1) This subsection may be cited as the "Na Hoa Pili Kaloko-Honokohau Re-establishment Act of 1994".

(2) Notwithstanding section 505(f)(7) of Public Law 95-625 (16 U.S.C. 396d(7)), the Na Hoa Pili O Kaloko-Honokohau, the Advisory Commission for Kaloko-Honokohau National Historical Park, is hereby re-established in accordance with section 505(f), as amended by subsection (b) of this section.

(3) Section 505(f)(7) of Public Law 95-625 (16 U.S.C. 396d(7)), is amended by striking "this Act" and inserting in lieu thereof, "the Na Hoa Pili Kaloko-Honokohau Re-establishment Act of 1994".

(b) **WOMEN'S RIGHTS NATIONAL HISTORICAL PARK, NY.**—Section 1601(h)(5) of the Act of December 28, 1980 (16 U.S.C. 4101(h)(5)), is amended by striking "ten years" and inserting in lieu thereof "twenty-five years".

**SEC. 202. AMENDMENT OF BOSTON NATIONAL HISTORIC PARK ACT.**

Section 3(b) of the Boston National Historical Park Act of 1974 (16 U.S.C. 4102-1(b)) is amended by inserting "(1)" before the first sentence thereof and by adding the following at the end thereof:

"(2) The Secretary of the Interior is authorized to enter into a cooperative agreement with the Boston Public Library to provide for the distribution of informational and interpretive materials relating to the park and to the Freedom Trail."

**TITLE III—GENERAL AUTHORIZATIONS AND REPEALERS**

**SEC. 301. LIMITATION ON PARK BUILDINGS.**

The 10th undesignated paragraph (relating to a limitation on the expenditure of funds for park buildings) under the heading "MISCELLANEOUS OBJECTS, DEPARTMENT OF THE INTERIOR", which appears under the heading "UNDER THE DEPARTMENT OF THE INTERIOR", as contained in the first section of the Act of August 24, 1912 (37 Stat. 460), as amended (16 U.S.C. 451), is hereby repealed.

**SEC. 302. APPROPRIATIONS FOR TRANSPORTATION OF CHILDREN.**

The first section of the Act of August 7, 1946 (16 U.S.C. 17j-2), is amended by adding at the end the following:

"(j) Provide transportation for children in nearby communities to and from any unit of the National Park System used in connection with organized recreation and interpretive programs of the National Park Service."

**SEC. 303. FERAL BURROS AND HORSES.**

Section 9 of the Act of December 15, 1971 (16 U.S.C. 1338a), is amended by adding at the end thereof the following: "Nothing in this Act shall be deemed to limit the authority of the Secretary in the management of units of the National Park System, and the Secretary may, without regard either to the provisions of this Act, or section 47(a) of title 18, United States Code, use motor vehicles, fixed-wing aircraft and helicopters, or contract for such use, in furtherance of the management of the National Park System, and the provisions of section 47(a) of title 18, United States Code, shall not be applicable to such use."

**SEC. 304. AUTHORITIES OF THE SECRETARY OF THE INTERIOR RELATING TO MUSEUMS.**

(a) **FUNCTIONS.**—The Act entitled "An Act to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto, and for other purposes" approved July 1, 1955 (16 U.S.C. 18f), is amended—

(1) in paragraph (b) of the first section, by striking out "from such donations and bequests of money"; and

(2) by adding at the end thereof the following:

**"SEC. 2. ADDITIONAL FUNCTIONS.**

"(a) In addition to the functions specified in the first section of this Act, the Secretary of the Interior may perform the following functions in such manner as he shall consider to be in the public interest:

"(1) Transfer museum objects and museum collections that the Secretary determines are no longer needed for museum purposes to qualified Federal agencies that have programs to preserve and interpret cultural or natural heritage, and accept the transfer of museum objects and museum collections for the purposes of this Act from any other Federal agency, without reimbursement. The head of any other Federal agency may transfer, without reimbursement, museum objects and museum collections directly to the administrative jurisdiction of the Secretary of the Interior for the purposes of this Act.

"(2) Convey museum objects and museum collections that the Secretary determines are no longer needed for museum purposes, without monetary consideration but subject to such terms and conditions as the Secretary deems necessary, to private institutions exempt from Federal taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and to non-Federal governmental entities if the Secretary determines that the recipient is dedicated to the preservation and interpretation of natural or cultural heritage and is qualified to manage the property, prior to any conveyance under this subsection.

"(3) Destroy or cause to be destroyed museum objects and museum collections that the Secretary determines to have no scientific, cultural, historic, educational, esthetic, or monetary value.

"(b) The Secretary shall ensure that museum objects and museum collections are treated in a careful and deliberate manner that protects the public interest. Prior to taking any action under subsection (a), the Secretary shall establish a systematic review and approval process, including consultation with appropriate experts, that meets the highest standards of the museum profession for all actions taken under this section."

(b) **APPLICATION AND DEFINITIONS.**—The Act entitled "An Act to increase the public benefits from the National Park System by fa-

cilitating the management of museum properties relating thereto, and for other purposes" approved July 1, 1955 (16 U.S.C. 18f), as amended by subsection (a), is further amended by adding the following:

**"SEC. 3. APPLICATION AND DEFINITIONS.**

"(a) **APPLICATION.**—Authorities in this Act shall be available to the Secretary of the Interior with regard to museum objects and museum collections that were under the administrative jurisdiction of the Secretary for purposes of the National Park System before the date of enactment of this section as well as those museum objects and museum collections that may be acquired on or after such date.

"(b) **DEFINITIONS.**—For the purposes of this Act, the terms 'museum objects' and 'museum collections' mean objects that are eligible to be or are made part of a museum, library, or archive collection through a formal procedure, such as accessioning. Such objects are usually movable and include but are not limited to prehistoric and historic artifacts, works of art, books, documents, photographs, and natural history specimens."

**SEC. 305. VOLUNTEERS IN THE PARKS INCREASE.**

Section 4 of the Volunteers in the Parks Act of 1969 (16 U.S.C. 18j) is amended by striking out "\$1,000,000" and inserting in lieu thereof "\$1,750,000".

**SEC. 306. COOPERATIVE AGREEMENTS FOR RESEARCH PURPOSES.**

Section 3 of the Act entitled "An Act to improve the administration of the National Park System by the Secretary of the Interior, and to clarify the authorities applicable to the system, and for other purposes" approved August 18, 1970 (16 U.S.C. 1a-2), is amended—

(1) in paragraph (1), by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(2) by adding at the end thereof the following:

"(j) enter into cooperative agreements with public or private educational institutions, States, and their political subdivisions, or private conservation organizations for the purpose of developing adequate, coordinated, cooperative research and training programs concerning the resources of the National Park System, and, pursuant to such agreements, to accept from and make available to the cooperator such technical and support staff, financial assistance for mutually agreed upon research projects, supplies and equipment, facilities, and administrative services relating to cooperative research units as the Secretary deems appropriate; except that this paragraph shall not waive any requirements for research projects that are subject to the Federal procurement regulations."

**SEC. 307. CARL GARNER FEDERAL LANDS CLEANUP DAY.**

The Federal Lands Cleanup Act of 1985 (36 U.S.C. 1691-1691-1) is amended by striking "Federal Lands Cleanup Day" each place it occurs and inserting in lieu thereof, "Carl Garner Federal Lands Cleanup Day".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Colorado [Mr. ALLARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

**GENERAL LEAVE**

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may

have 5 legislative days within which to revise and extend their remarks on House Resolution 520.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 520 is a measure to provide for House consideration of the bill, H.R. 1305, with the Senate amendment and to concur in the Senate amendment, with an amendment. H.R. 1305 is a non-controversial housekeeping bill making minor boundary adjustments and other miscellaneous changes in programs and authorities of the National Park Service. It is a bipartisan bill which I introduced along with the ranking minority member of the Subcommittee on National Parks, Forests and Public Lands, Mr. HANSEN of Utah. The bill originally passed the House on July 19, 1993. The Senate passed an amendment in the nature of a substitute on May 3, 1994. The Action before the House today is to concur in the Senate amendment with an amendment.

H.R. 1305 as passed by the House makes seven minor park boundary adjustments, extends the advisory commissions at two park units, clarifies the authority for the National Park Service to enter into agreements regarding cooperative park study units, provide the National Park Service with greater flexibility in handling museum objects and makes several other miscellaneous authorizations that in the past had been carried in appropriations bills. Nearly all of the provisions of H.R. 1305 were drafted and presented to the committee by the National Park Service and most were passed by the House in the 102d Congress as part of another bill. Unfortunately, action on this earlier bill was not completed prior to adjournment of the 102d Congress.

The Senate amendment to H.R. 1305 keeps all of the House passed provisions of the bill except one minor provision relating to Fort Pulaski National Monument. The Senate added two new sections to the bill. The first is a provision supported by Senator BUMPERS to designate Carl Garner Federal Lands Cleanup Day. The second section is legislation authorizing the construction of a new visitor center to interpret the siege and Battle of Corinth, MS. The Subcommittee on National Parks, Forests and Public Lands recently held a hearing on the Corinth visitor center issue, which was the subject of freestanding legislation by Representative JAMIE WHITTEN and Senator TRENT LOTT. While the hearing demonstrated the historical importance of the events surrounding the battle at Corinth, questions were raised by the National Park Service

and others about the cost and precedent of building a new visitor center for an area not even in the National Park System. I will be working with the members of the Mississippi delegation to fashion a legislative initiative which addresses the historical resources of the Corinth area. However, the inclusion of such a proposal on this bill is not appropriate. H.R. 1305 is a bipartisan bill consisting of long delayed housekeeping measures proposed by the National Park Service, and the Corinth proposal, whatever its merit, is neither housekeeping nor a National Park Service initiative. The action we are taking today is supported by the minority and the National Park Service.

Mr. Speaker, H.R. 1305 as amended is a noncontroversial bipartisan bill which deserves our support and I urge the adoption of the resolution.

Mr. ALLARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bipartisan effort which led to development of this measure actually began last Congress. The legislation was passed by the House last session, but was not acted on by the Senate because the long list of useful housekeeping measures included in this bill did not gather sufficient sponsorship in the Senate. My only concern today is that by sending this bill to the Senate a third time, there is a significant likelihood that time will run out before the Senate has another chance to consider the measure.

However, I do not intend to oppose the chairman's decision to modify this bill and return it to the Senate, and therefore I urge my colleagues to support this resolution today.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and agree to the resolution, House Resolution 520.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

#### CONCURRING IN SENATE AMENDMENTS TO H.R. 2815, FARMINGTON WILD AND SCENIC RIVER ACT

Mr. VENTO. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 2815) to designate a portion of the Farmington River in Connecticut as a component of the National Wild and Scenic Rivers System.

The Clerk read as follows:

Senate amendments:

Page 4, strike out lines 4 to 23 and insert: (6) the Colebrook Dam and Goodwin Dam hydroelectric projects are located outside the river segment designated by section 3, and based on the study of the Farmington River pursuant to Public Law 99-590, continuation of the existing operation of these projects as presently configured, including associated transmission lines and other existing project works, is compatible with the designation made by section 3 and will not unreasonably diminish the scenic, recreational, and fish and wildlife values of the segment designated by such section as of the date of enactment of this Act.

Page 6, strike out lines 2 to 4 insert:

(a) COMMITTEE.—The Director of the National Park Service, or his or her designee, shall represent the Secretary on the Farmington River Coordinating Committee provided for in the plan.

Page 6, line 5, strike out all after "ROLE.—" down to and including "(2)" in line 15 and insert: (1)

Page 7, line 7, strike out "(3)" and insert "(2)".

Page 7, line 10, strike out "(4)" and insert "(3)".

Page 7, line 21, strike out "Director" and insert "Secretary".

Page 8, strike out lines 23, and 24.

Page 9, line 1, strike out "(3)" and insert "(2)".

Page 9, line 7, strike out "(4)" and insert "(3)".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Colorado [Mr. ALLARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

#### GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2815, and the Senate amendments thereto.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2815 is a bill introduced by Representative JOHNSON of Connecticut and cosponsored by the entire delegation from that State, including our colleague on the Natural Resources Committee, Mr. GEJDENSON.

It would designate a segment of the Farmington River, in Connecticut, as a component of the National Wild and Scenic Rivers System.

The House passed H.R. 2815 back in March. More recently, the Senate returned the bill to us with some amendments that make minor revisions to one finding and clarify the role of the National Park Service in connection with the local coordinating committee provided for in the bill. After a review, we have concluded that the bill as amended by the Senate remains completely consistent with the original

purpose and intent of the House-passed bill, as explained in the report of the Natural Resource Committee.

Therefore, we are seeking to concur in the Senate amendments and send the bill to President Clinton for signature into law.

The gentlewoman from Connecticut [Mrs. JOHNSON] should be congratulated for her hard work and leadership on this matter. This is a good bill that deserves enactment, and I urge the House to concur in the Senate's minor amendments, and send the bill to the President.

Mr. ALLARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2815 as amended by the Senate. This legislation, which has been fully explained by Chairman VENTO, already passed the House by voice vote several months ago.

I would like to commend the gentlewoman from Connecticut [Mrs. JOHNSON] for her hard work on this legislation affecting her district. I believe she has worked nearly 8 years trying to broker a compromise with the many diverse groups along the Farmington River.

I urge my colleagues to support H.R. 2815.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong support of H.R. 2815 and commend the Committee on Natural Resources for bringing this legislation to closure.

It has been a long road for this bill, Mr. Speaker, and this glorious day would not have been possible without broad local support of my constituents, the 17-member Farmington River Advisory Committee, the local Watershed Association, the Metropolitan District Commission, the Connecticut Department of Environmental Protection, and the National Park Service.

With today's action, this bill is cleared for the President's signature.

But, more notably for my constituents back home, we will at long last have a federally recognized natural asset protected for all time in an area that my western colleagues might not consider wild but would surely honor as scenic. Further, I want to underscore the precedent-setting nature of this bill, Mr. Speaker, because it gives hope to other people who wish to protect remarkable rivers in relatively densely populated areas of America, and particularly, New England.

As I have noted in earlier remarks, this legislation develops a new model for the governance of wild and scenic rivers. The goals of our Federal preservation program will be achieved through cooperative efforts that honor the tradition of local power that is embodied in our town meeting form of government. This new model will enable many New England areas to participate in the Federal preservation effort embodied in our Wild and Scenic Rivers Act.

I deeply appreciate the committee's work and especially thank the chairman of the subcommittee, Mr. VENTO, and its ranking member, Mr. HANSEN, for their tireless efforts to bring a complex process to conclusion.

I yield back the balance of my time.

Mrs. KENNELLY. Mr. Speaker, we are considering today a bill to protect one of Connecticut's most treasured resources—the Farmington River. This bill, sponsored by my good friend, Mrs. JOHNSON and supported by all of us in the Connecticut delegation, will protect 14 miles of the west branch of the Farmington River by including it in the National Wild and Scenic Rivers System.

A wild and scenic designation is the only protection that can permanently guarantee that no federally licensed or funded water project be allowed to harm the river. It will protect the waterway's fisheries, wildlife, and recreation potential, and contribute significantly to our enjoyment of the river.

Today's legislation will not only protect the Farmington River, but has the potential to help rivers nationwide. The bill contains important language to promote local autonomy and self-determination, which will help local governments settle the sometimes difficult issues which arise during consideration of preservation status.

This local stewardship approach states that the Federal Government cannot pursue land acquisition or management, ensuring that local authorities will retain significant influence. This can be particularly important when rivers abut private property. It is an important distinction which should contribute to greater preservation efforts.

This legislation is the result of cooperation among many different parties—Governor Weicker, the Connecticut Department of Environmental Protection, the Metropolitan District Commission, the Farmington River Watershed Association, and local municipal authorities. Many people have worked together on this project—this bill is testimony to their efforts and to the merits of their project.

Mr. Speaker, I would like to commend my colleague, Mrs. JOHNSON, for her hard work and encourage this Chamber to quickly pass this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspended the rules and concur in the Senate amendments to H.R. 2815.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### CONCURRING IN SENATE AMENDMENTS TO H.R. 2947, COMMEMORATIVE WORKS ACT AMENDMENTS

Mr. VENTO. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 2947) to amend the Commemorative Works Act, and for other purposes.

The Clerk read as follows:

#### SENATE AMENDMENTS:

Page 6, line 1, after "Administrator" insert "(as appropriate)".

Page 6, line 3, after "the" insert "Secretary or Administrator determines the fundraising efforts with respect to the commemorative work have misrepresented an affiliation with the commemorative work or the United States".

Page 6, strike out lines 4 to 13.

Page 6, lines 15 and 16, strike out "operations prepared" and insert "operations, including financial statements audited".

Page 6, line 18, strike out "work." and insert "work.".

Page 6, strike out lines 19 to 25.

Page 7, line 6, strike out "(1) Section" and insert "Section".

Page 7, strike out lines 12 to 16.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Colorado [Mr. ALLARD] will be recognized for 20 minutes.

The Chair recognizes of the gentleman from Minnesota [Mr. VENTO].

#### GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2947, and the Senate amendments thereto.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2947 as amended is legislation to extend for 3 years the authorization for the Black Revolutionary War Patriots Memorial, the National Peace Garden Memorial, and the Women in Military Service Memorial. It also makes several technical and conforming amendments to the Commemorative Works Act. The bill originally passed the House on November 23, 1993. It passed the Senate with several amendment on April 12, 1994. The action before the House today is to concur in the Senate amendments and send the bill to the President.

As originally introduced by Congresswoman NANCY JOHNSON, H.R. 2947 would have extended the authorization for the Black Revolutionary War Patriots Memorial, a memorial to those African-Americans who fought with the American Colonists for independence from Great Britain. As amended by the Committee on Natural Resources, the bill extends the authorization for two other commemorative works to be constructed here in the Nation's Capital. The Black Revolutionary War Patriots Memorial, the Women in Military Service to America Memorial, and the National Peace Garden have all been authorized under the Commemorative Works Act. All three obtained the initial site and design approvals as required by the law. But for various rea-

sons, particularly because of the difficulty of fundraising, each of them has requested an extension for the completion of their commemorative works. This legislation extends their authorizations to 10 years—an additional 3 years for each. I support this extension with the understanding that there will be no further extensions.

H.R. 2947 also makes various changes to the Commemorative Works Act. Congress enacted the Commemorative Works Act in 1986 out of concern that numerous memorials were being proposed for the scarce public lands in the Nation's Capital and that a process for establishing those of the highest merit should be developed. The changes in H.R. 2947 were requested by the National Capital Memorial Commission and by those responsible for administering the act. The most significant changes are provisions to require an annual report including an audited financial statement and authorization for the Secretary of the Interior to suspend a memorial organization's activities if misleading fundraising tactics are used. These provisions were including to increase accountability and to ensure that the public's trust is not abused.

The Senate deleted a provision in the House-passed bill authorizing the Secretary to suspend a memorial organization's activity if there are excessive administrative and fundraising expenses. It is the committee's intent that the National Park Service develop guidelines which provide direction to memorial organizations on the subject of unreasonable or excessive administrative costs and fundraising fees. The committee believes that guidelines from the National Park Service would also be helpful to avoiding problems in the future. The committee expects the National Park Service to monitor the fundraising activities of the memorial organizations more closely and it intends that all of the provisions of H.R. 2947 apply to all commemorative works authorized under the Commemorative Works Act.

Mr. Speaker, H.R. 2947 as amended is a meritorious bill which will allow three important memorial efforts in our Nation's Capital to continue. It will also make needed changes to the general process used for evaluating and approving commemorative works. This bill has bipartisan support and is supported by the administration. I urge its passage today.

□ 1240

Mr. Speaker, I reserve the balance of my time.

Mr. ALLARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2947, the extension of the Black Revolutionary War Patriots Foundation. This legislation has been fully explained by Chairman VENTO and I support the changes made in the other

body. This side of the aisle urges the Foundation to complete their work within the time period we are granting in order to avoid such an extension 2 years from now.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I am pleased to endorse H.R. 2947, my bill to extend the life of the Black Patriots Foundation so that it may gather the resources necessary to establish a memorial to black Revolutionary War patriots.

Mr. Speaker, several years ago, a constituent of mine, Maurice Barboza, brought me the forgotten story of the thousands of black Revolutionary War patriots who fought and died for the birth of this Nation. Shoulder to shoulder with white patriots, these 5,000 18th century heroes sacrificed mightily so that we can stand here today, a free people and a beacon of hope in today's world.

Though the Black Revolutionary War Patriots Foundation has worked hard to accomplish its important goal, fundraising is never easy. Through the public notice of this legislation and in a period of greater economic growth, I hope more people will take part in the journey to full recognition of the Black Revolutionary War Patriots Foundation by contributing to the cause.

Again, I appreciate the understanding and support of Chairman VENTO and Ranking Member HANSEN and look forward to a successful drive, and construction of a fitting memorial to the black Revolutionary War patriots.

As generations of children visit our Nation's capitol and walk the mall, they should have a concrete reminder that America was born as a result of blacks and whites fighting together for freedom and justice for all. We are one Nation because people of all races and ethnic origins have been willing to fight for and then build a new nation of free and equal citizens. If we fail to understand our past, we cannot assume a future worthy of our visionary ancestors. Mr. Speaker, this monument is about cherishing, affirming, and comprehending our past each day we build our future.

Mrs. KENNELLY. Mr. Speaker, I rise in support of H.R. 2947, a bill to extend the authorization for the construction of the Black Revolutionary War Patriots Memorial. I would like to thank the chairman of the Subcommittee on National Parks, Forests and Public Lands, Mr. VENTO, for his support of this legislation and the work he and his staff have done to make the extension possible.

It is a little known fact that in the Revolutionary War, approximately 5,000 African-American soldiers fought for the United States. It is a shame that these brave men have not yet received proper recognition, but now we have an opportunity to change that by allowing the completion of the black patriots memorial.

In addition, H.R. 2947 also provides for an extension in authorization for the Women In Military Service for America Memorial. This structure, which will be located at the gates of Arlington Cemetery, will serve as a monument to the approximately 1.8 million American women who have served their country in peacetime and in war, from the American Revolution to the Persian Gulf conflict. By extending the memorial's authorization, we allow the Women In Military Service for America Memorial Foundation to raise the rest of the funds

needed to begin construction of this important monument. It is vital that this project be completed, because a comprehensive account of the contributions of servicewomen throughout our Nation's history has never been assembled. This is an oversight which must be corrected. We have had a long tradition of distinguished service by women and it is time they received due recognition. Once again, I stand in strong support of H.R. 2947, and I urge my colleagues to vote for this bill.

Mr. ALLARD. Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TRAFICANT). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and concur in the Senate amendments to H.R. 2947.

The question was taken.

Mr. VENTO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### COMMUNICATION FROM THE HONORABLE J. DENNIS HASTERT, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable J. DENNIS HASTERT, Member of Congress:

HOUSE OF REPRESENTATIVES,  
Washington, DC, August 10, 1994.

Hon. THOMAS FOLEY,  
Speaker of the House,  
The Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that a member of my staff has been served with a subpoena issued by the Circuit Court for the Sixteenth Judicial District, County of Kane, Illinois relating to a constituent casework matter.

After consultation with the General Counsel to the House, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

J. DENNIS HASTERT,  
Member of Congress.

#### THE CRIME BILL

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, on Friday last I traveled with President Clinton to Minnesota as he addressed the National Organization of Police Officers and their association. I must say that the response at home with regards to the failure of the House to act on the crime bill was one of outrage. Universally, as I met with the police officers and other officials that were impacted by that decision, they and the general

public in Minnesota were very concerned.

The fact is, that there has been a lot of complaints about the provisions of the bill referred to as being "porked up." I would suggest to my colleagues that this claim of pork is a cooked-up excuse to, in fact, disarm this bill, to take out the weapons ban, to, in fact, distort the provisions of the bill which has for sometime on regular basis been pushed forward.

I would suggest my colleagues ought to hit the books a little more in looking at what is in the bill; the design of the opponents is to defund the bill, taking out the important dollars for prevention, which goes for police training, for programs that have universal support in the Congress in terms of providing for prevention, small programs for sports that offer vision, that offer hope to youngsters and young people and others who live in troubled communities. The dollars that are spent for prevention in terms of eliminating or trying to prevent people that are incarcerated from using drugs and treatment afterwards and monitoring programs for individuals released.

Most of this criticism is simply a heat shield that is being put up in terms of suggesting these dollars are being wasted. These are noncontroversial programs, proven programs. They have been considered carefully.

Furthermore, each one of these programs are subject to be separately appropriated, although there is a trust fund, Congress would still have the right and responsibility to vote individually on those appropriations. Members would have the right to stand up on this floor and move to strike an appropriation in any appropriation bill that dealt with those particular topics over the next 5 or 6 years.

Mr. Speaker, I do not think it is asking too much to commit \$30 billion over a period of 5 or 6 years in terms of fighting crime, which is a very important issue in this country. Twenty-two million people are affected each year by crime. There are provisions in that bill that each of us could look at and disagree with, the death penalty provisions I personally find objectionable and what the message is with regard to that issue and the dehumanization of how to address punishment and crime to resort to the death penalty. It illustrates to me the great frustration with crime in this Nation today. Members of this House could all find a basis to abandon or to rail against the crime bill. I think after 6 years of debate and failure to act the need persists. We need those 100,000 new police officers on the street. Sadly we need to construct the additional prison space to deal with the problems of overcrowding and the fact that there are mandatory minimum penalties that have been put in place by this Congress in recent years that have caused the overcrowding.

We need prevention dollars to provide hope, to offer vision, to offer alternatives, and to provide the special community-based organization assistance such as the Boys and Girls Clubs of America. We need those programs. I hope that after my colleagues have been home, after they have had a chance to read this crime conference report over more carefully, that we will rally together this week and finally pass this important new crime bill. All of us can find some things we disagree with in the crime bill, but I think the people we represent are telling us they want a crime bill, they want it to pass, they want the Congress to get on with its business and pay attention to the people, not just the special interests, the narrow special interest groups and partisan interests that rallied last week to prevent the crime bill consideration.

This tactic has backfired on Members that have tried to move in this negative direction and to oppose this particular bill last Thursday. I hope Members will come back this week with a different attitude and a changed vote.

□ 1250

#### SEMI-AUTOMATIC WEAPONS WITH EASE BECOME AUTOMATIC MACHINE GUNS

Mr. VENTO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore (Mr. TRAFICANT). Without objection, the gentleman is recognized for 1 minute.

There was no objection.

Mr. VENTO. Mr. Speaker, on Saturday last, I had the opportunity to work with BATF special agents in charge of St. Paul Field Division, Bob Witzer and his colleague James Kuboushek who worked for the Bureau of Alcohol and Tobacco and Firearms, Department of Treasury, who helped me put on a demonstration of a number of the assault weapons that are included in the 19 weapons that are included in the proposed assault ban, and showing the power and danger of these particular weapons and the problem they pose.

Mr. Speaker, as my colleagues are aware with regard to this issue, very often when these weapons are sold as semiautomatic assault weapons they are, with ease and readily converted to an automatic weapon. Most of the assault models of weapons are produced abroad, and some were banned by President Bush under an executive order in 1989, banned in terms of the importation, they are, in fact, today being produced by U.S. manufacturers and-or sent into the United States as parts and then assembled.

I think the important point that is glossed over by opponents and what the public ought to understand is that

many times they are sold as semiautomatic, but these weapons are, in fact, easily convertible and used as automatic weapons, so they literally can be turned into a machine gun. This is the normal mode of operation as an automatic weapon used in armed conflict by and for a military purpose.

It is surprising to me that this particular facet has not been well-recognized by the public, or even by some Members, because in the 1930's, when the then Thompson submachine guns were banned and other machine guns were banned in the mid-1980's in this country, and now in the 1990's we have these weapons that are brought in that have an automatic mode but are sold on a semiautomatic basis, they, in fact, are easily convertible, so we basically have circumvention of the law and the assault weapon present on the streets and rural routes across America.

That is why it is important, Mr. Speaker, to include this assault weapon ban in the new crime bill and finally in the law, so we can eliminate the future and prospective sale of these assault weapons and prevent these weapons from slipping into the hands of the naive or the hardened criminal.

#### CRIMINAL JUSTICE INFORMATION SERVICES PLACEMENT ASSISTANCE ACT

Mr. MCCLOSKEY. Mr. Speaker I move to suspend the rules and pass the bill H.R. 4884, to authorize noncompetitive, career or career-conditional appointments for employees of the Criminal Justice Information Services of the Federal Bureau of Investigation who do not relocate to Clarksburg, WV, as amended.

The Clerk read as follows:

H.R. 4884

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Criminal Justice Information Services Placement Assistance Act".

#### SEC. 2. NONCOMPETITIVE CAREER OR CAREER-CONDITIONAL APPOINTMENTS FOR NONRELOCATING EMPLOYEES OF THE CRIMINAL JUSTICE INFORMATION SERVICES OF THE FBI.

(a) IN GENERAL.—Except as provided in subsection (c), an individual described in subsection (b) may be appointed noncompetitively, under a career or career-conditional appointment, to a position in the competitive service if—

(1) the individual meets the qualification requirements prescribed by the Office of Personnel Management for the position to which appointed;

(2) the last previous Federal employment of the individual was as an employee of the Criminal Justice Information Services Division of the Federal Bureau of Investigation; and

(3) the individual is appointed to such position within two years after separating from the Criminal Justice Information Services Division.

(b) INDIVIDUAL DESCRIBED.—An individual described in this subsection is an individual who—

(1) on the date of the enactment of this Act—

(A) is an employee of the Criminal Justice Information Services Division of the Federal Bureau of Investigation; and

(B) is serving in an appointed position (1) to be relocated from Washington, District of Columbia, to Clarksburg, West Virginia, and (ii) that is excepted by law or regulation from the competitive service; and

(2) has not relocated with his or her position in the Criminal Justice Information Services Division to Clarksburg, West Virginia.

(c) APPLICATION.—This section does not apply to an individual serving on the date of the enactment of this Act in an appointed position on a temporary or term basis.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana [Mr. MCCLOSKEY] will be recognized for 20 minutes, and the gentleman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana [Mr. MCCLOSKEY].

Mr. MCCLOSKEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4884, as amended, which would grant competitive status to certain FBI employees. I want to commend my esteemed colleague, ELEANOR HOLMES NORTON, chair of the Subcommittee on Compensation and Employee Benefits for her hard work and leadership on this bill.

Due to disturbing trends which occurred in the Identification Division [ID] during the eighties, in 1989 the Federal Bureau of Investigation embarked on a plan to revitalize the Identification Division. In addition, a feasibility study was conducted on relocating the ID to address the attrition and hiring problems. In 1990, the Bureau identified a location in Clarksburg, WV, as the most feasible site to relocate the Identification Division.

Approximately 1,200 employees have been identified that do not wish to relocate to the new location in Clarksburg. Although the Bureau has been taking assertive steps to assist these employees in finding other jobs within the Bureau, an abysmal attrition rate, tight budgets, and the continued restructuring and downsizing of the Federal Government has led to problems in finding alternative employment. If further assistance is not provided, these 1,200 employees will be RIF'd by the end of fiscal year 1996.

However, all FBI employees are hired under the excepted service and do not have the ability to compete for jobs in the competitive service. Therefore, these employees cannot automatically apply for other Federal jobs.

This bill would authorize noncompetitive, career, or career conditional appointments in the competitive service for employees of the Criminal

Justice Information Services who do not wish to relocate.

H.R. 4884, as amended by the Post Office and Civil Service Committee, requires that each individual must meet the qualification requirements prescribed by Office of Personnel Management [OPM] for the position to which appointed. This authority would expire 2 years after the employee has been separated from employment with the FBI. OPM recommended replacing the September 30, 1999, deadline that was in the original Norton bill with a provision that the special appointment authority will expire 2 years from the date the employee is separated from the FBI. This would ensure that each employee have ample time to find a job in the competitive service.

The only other change that was made in committee is language clarifying that only permanent employees would be eligible for noncompetitive appointments. This change was also recommended by OPM.

I am interested in ensuring that the Bureau has every avenue available to assist its employees in finding other employment, and I urge my colleagues to support this bill.

Again, I want to commend Representative NORTON for her leadership and concern in this area.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4884, which was introduced by the chair of the Subcommittee on Compensation and Employee Benefits, the gentlewoman from the District of Columbia. As a cosponsor of the measure, I commend the gentlewoman for her unwavering support for Federal employees and her tenacity in bringing this measure to the floor.

I also commend the chairman of the Subcommittee on Civil Service, Mr. McCLOSKEY of Indiana, the chairman of the Committee on Post Office and Civil Service, Mr. CLAY of Missouri, and the ranking member, Mr. MYERS of Indiana, for expediting passage of the legislation through the committee process.

The Committee on Post Office and Civil Service passed H.R. 4884 as amended on August 10. This measure grants competitive service to permanent employees of the Criminal Justice Information Services [CJIS], a division within the Federal Bureau of Investigation [FBI] which is being relocated from Washington to Clarksburg, WV. Presently, all employees of the FBI are employed under the expected service positions, because of the nature of their work.

The FBI plans to move the CJIS to West Virginia by 1999. There are many CJIS employees who cannot, or would opt not to, make the move. They would prefer to stay in the area and try to obtain work in the public or private sector. However, for these employees their years as expected service employees

would not transfer into the competitive service. This would affect them significantly if they were to apply for competitive service—it would not give them status. Many Federal jobs require status as a Federal employee in the competitive service to be considered for the position.

When this move was first contemplated, the gentlewoman from the District of Columbia got assurance from then-Director of the FBI, Mr. William Sessions, that these employees would be considered for jobs within the FBI. When Director Freeh took the helm at the FBI, there was concern that those promises could be rescinded because of changed circumstances, such as the austere budget conditions, low attrition rates resulting in non-availability of jobs.

There has, additionally, been a downsizing within the FBI, rendering it difficult for all the 1,200 CJIS employees who decided to not relocate to West Virginia to be reemployed at their skill level within the Bureau. Though the Director gave assurance that he would seek to place these employees in vacancies which may occur in the FBI and that he would also provide training for them to increase their job skills to enter other jobs, he also sought legislative measures to assist in further placement of the CJIS employees. H.R. 4848 is a result of these concerns.

The measure before us, Mr. Speaker, provides the CJIS employees presently serving in a permanent position an opportunity to reenter Federal service noncompetitively without losing any of their Federal benefits if the employee reenters Federal service within 2 years after separating from the Criminal Justice Information Service Division position.

The Congressional Budget Office estimates that there would be no costs associated with this bill. During our subcommittee hearings, the Office of Personnel Management [OPM] and the FBI testified in support of the bill. I urge my colleagues to support this measure as well.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. McCLOSKEY. Mr. Speaker, I yield such time as she may consume to the gentlewoman from the District of Columbia [Ms. NORTON], the primary author of this bill.

□ 1300

Ms. NORTON. Mr. Speaker, I sincerely thank the chairman of the subcommittee, the gentleman from Indiana [Mr. McCLOSKEY] for yielding me the time, and I thank him for much more.

I thank him for the skill and the expeditious treatment with which he has approached this bill, and I thank the ranking member of my own subcommittee, the gentlewoman from

Maryland [Mrs. MORELLA], who has been an invaluable Member on this and other matters affecting Federal employees and fairness not only to them but to the Government.

I am grateful to the chair and the ranking member of the full committee as well for facilitating the rapid movement of this bill to the floor.

Mr. Speaker, it is seldom that a bill we pass has an immediate effect upon individuals. More than 1,200 people who simply cannot pick up, pull their roots up and leave their homes throughout this region are affected. Many of these are women heads of household. Almost none of them are highly paid. They are, Mr. Speaker, the mirror image of civil servants in the Federal Government. Through no fault of their own, the FBI, the agency for which they work, is expected from the civil service. At a time when they cannot move their homes, they literally have no place in the Federal Government to go, even though many have had considerable years of service in the Federal Government. By no means do most of these employees live within my district. Ten congressional districts are involved. My district, the District of Columbia, is not where the highest number come from.

This matter proceeds from a good-faith promise made by the former FBI Director, Director William Sessions, that he would find jobs for these employees in the FBI, a promise repeated before a congressional committee, and also a good-faith attempt on the part of his successor, Mr. Louis Freeh, to deliver on that promise.

Our own Federal Government downsizing, however, has confounded even his aggressive placing of these employees in what positions do in fact become vacant. I commend him as well for the skills training he has offered these employees to increase their opportunities for employment. The fact is, Mr. Speaker, that Mr. Freeh himself has suggested to us that he needs the legislative help we are seeking to provide. The bill before us is the response of the Committee on Post Office and Civil Service to his request that in addition to his own efforts a bill be passed to help him fulfill his own promise and that of his predecessor.

Mr. Speaker, what this bill would have the Federal Government do what most decent companies do, anyway. If by no fault of their own a number of employees have to be let go these days, companies pull out all stops and do all that is within their own power to find positions. That is what this bill and the Federal Government would be doing in this case.

I remind Members that this bill does not involve a relocation of some of these employees to the suburbs or from the suburbs to the District of Columbia. Where they would be required to go is not a car ride away or a Metro ride away. For them the move might

just as well be to California as to West Virginia.

I am pleased at the cooperation we have had from the other body as well. This bill will indeed find employment in the Federal Government. At the very least, they deserve an even chance. This bill grants them that even chance.

Mr. Speaker, I thank all who have been involved, especially the subcommittee chair, for facilitating the opportunity for that even chance.

Mr. Speaker, I want to express my sincere thanks to my good friend, Congressman FRANK MCCLOSKEY, chairman of the Subcommittee on Civil Service, for responding favorably and quickly to my request to take action on H.R. 4884, the Criminal Justice Information Services Placement Assistance Act. FBI employees are excepted from the competitive service by law. As a result, their years with the Government count for nothing when they seek consideration for competitive service positions at other agencies. H.R. 4884 would authorize noncompetitive career or career-conditional appointments in the competitive service for employees of the FBI's Criminal Justice Information Services Division [CJIS].

The CJIS Division is being relocated to Clarksburg, WV over the next 4 years. However, over half of its employees in this area either cannot or do not wish to move there. This bill would make it easier for these employees to find other jobs with the Federal Government in this area.

In 1991, I contacted former FBI Director William Sessions and expressed my concern about the fate of the employees who could not relocate. Director Sessions promised me personally that these employees would be afforded other jobs with the FBI in this area at a comparable rate of pay. This promise was not made lightly, but as a matter of elementary fairness to the employees, especially those not highly salaried whose personal and family position made it impossible to move. It was a promise repeated by Director Sessions and Deputy Assistant Director Stanley Klein in testimony before the House Subcommittee on Civil and Constitutional Rights in 1991 and 1992.

Last year, when it was first brought to my attention that Director Sessions was considering reneging on his commitment, thereby placing many employees at risk of losing their jobs, I immediately wrote him seeking assurance that his commitment still stood. Shortly thereafter, however, Director Sessions resigned and left his position without having replied. Once his successor, Director Louis Freeh, was in place, I wrote to him and sought assurance that Director Sessions' commitment would be honored. Director Freeh responded that due to the mandate to downsize and low attrition rates, it might not be possible for him to guarantee job security for Bureau employees, as promised by his predecessor.

Earlier this year, the Director and I corresponded further over this matter. I pointed out to him that I was unconvinced that the Bureau's commitment could not be met by using early-out authority along with buyouts to create openings to meet the employment needs of the CJIS employees. I further indicated to

him that the House Report on the Commerce, Justice, State and Judiciary appropriations bill for fiscal year 1994 stated that the "Committee expects the Director to make every effort to fulfill this pledge to employees." He in turn wrote me in February and advised that there were 1,200 CJIS Division employees who do not desire to relocate, and that if they could not be placed in other positions, would be involuntarily separated beginning in fiscal year 1996.

Director Freeh indicated that he would aggressively seek to place these employees in vacancies occurring throughout the FBI, and offer skills enhancement training to increase their marketability. He is to be commended for these efforts. However, the Director also expressed an interest in pursuing further legislative remedies beyond buyouts and asked for my support in that regard. The CJIS Placement Assistance Act is our response.

Mr. Speaker, I believe it would be unconscionable to permit the Bureau to step back from a commitment which was not only made personally to me, but to a Subcommittee of the House. But present circumstances have constrained the Bureau's ability to fulfill the pledge. It cannot do it alone. Assistance from the Congress is needed, and, with the enactment of H.R. 4884, CJIS employees will get the additional help they need to continue their careers competitively in the Federal service.

Earlier this month, Chairman MCCLOSKEY held a hearing on H.R. 4884. Representatives from both the FBI and the Office of Personnel Management appeared and testified in strong support of this measure. Finally, Mr. Speaker, I would like to point out that the Congressional Budget Office has determined that H.R. 4884 is budget neutral. Again, I thank Chairman MCCLOSKEY for his prompt and very fair consideration of the needs of these employees. I urge the House to approve H.R. 4884.

Mr. MCCLOSKEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana [Mr. MCCLOSKEY] that the House suspend the rules and pass the bill, H.R. 4884, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. MCCLOSKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on H.R. 4884, as amended, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

#### HIGH SPEED RAIL DEVELOPMENT ACT OF 1994

Ms. SCHENK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4867) to authorize appropriations for high-speed rail transportation, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4867

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "High-Speed Rail Development Act of 1994".*

#### SEC. 2. FINDINGS.

*The Congress finds that—*

(1) high-speed rail offers safe and efficient transportation in certain densely traveled corridors linking major metropolitan areas in the United States;

(2) high-speed rail may have environmental advantages over certain other forms of intercity transportation;

(3) Amtrak's Metroliner service between Washington, District of Columbia, and New York, New York, the United States premiere high-speed rail service, has shown that Americans will use high-speed rail when that transportation option is available;

(4) new high-speed rail service should not receive Federal subsidies for operating and maintenance expenses;

(5) State and local governments should take the prime responsibility for the development and implementation of high-speed rail service;

(6) the private sector should participate in funding the development of high-speed rail systems;

(7) in some intercity corridors, Federal planning assistance may be required to supplement the funding commitments of State and local governments and the private sector to ensure the adequate planning, including reasonable estimates of the costs and benefits, of high-speed rail systems;

(8) improvement of existing technologies can facilitate the development of high-speed rail systems in the United States; and

(9) Federal assistance is required for the improvement, adoption, and integration of developed technologies for commercial application in high-speed rail service in the United States.

#### SEC. 3. NATIONAL HIGH-SPEED RAIL ASSISTANCE PROGRAM.

(a) AMENDMENTS.—(1) Part D of subtitle V of title 49, United States Code, is redesignated as part E, chapter 261 of such title is redesignated as chapter 281, and sections 26101 and 26102 of such title are redesignated as sections 28101 and 28102.

(2) Subtitle V of title 49, United States Code, is amended by inserting after part C the following new part:

#### "PART D—HIGH-SPEED RAIL

#### "CHAPTER 261—HIGH-SPEED RAIL ASSISTANCE

"Sec.

"26101. Corridor planning.

"26102. High-speed rail technology improvements.

"26103. Safety regulations.

"26104. Authorization of appropriations.

"26105. Definitions.

#### "SEC. 26101. CORRIDOR PLANNING.

"(a) CORRIDOR PLANNING ASSISTANCE.—(1) The Secretary may provide under this section financial assistance to a public agency or group of public agencies for corridor planning for up to 50 percent of the publicly funded costs associated with eligible activities.

"(2) No less than 20 percent of the publicly funded costs associated with eligible activities shall come from State and local sources, not including funds from any Federal program.

"(b) **ELIGIBLE ACTIVITIES.**—(1) A corridor planning activity is eligible for financial assistance under subsection (a) if the Secretary determines it to be necessary to establish appropriate engineering, operational, financial, environmental, or socioeconomic projections preliminary to implementation of specific high-speed rail improvements. Eligible corridor planning activities include—

- "(A) environmental assessments;
- "(B) feasibility studies emphasizing commercial technology improvements or applications;
- "(C) economic analyses, including ridership, revenue, and operating expense forecasting;
- "(D) assessing the impact on rail employment of developing high-speed rail corridors;
- "(E) assessing community economic impacts;
- "(F) coordination with State and metropolitan area transportation planning and corridor planning with other States;
- "(G) operational planning;
- "(H) route selection analyses and purchase of rights-of-way for proposed high-speed rail service;

- "(I) preliminary engineering and design;
- "(J) identification of specific improvements to a corridor, including electrification, line straightening and other right-of-way improvements, bridge rehabilitation and replacement, use of advanced locomotives and rolling stock, ticketing, coordination with other modes of transportation, parking and other means of passenger access, track, signal, station, and other capital work, and use of intermodal terminals;
- "(K) preparation of financing plans and prospectuses; and

- "(L) creation of public/private partnerships.
- "(2) No financial assistance shall be provided under this section for corridor planning with respect to the main line of the Northeast Corridor, between Washington, District of Columbia, and Boston, Massachusetts.

"(c) **CRITERIA FOR DETERMINING FINANCIAL ASSISTANCE.**—Selection by the Secretary of recipients of financial assistance under this section shall be based on such criteria as the Secretary considers appropriate, including—

- "(1) the relationship of the corridor to the Secretary's national high-speed ground transportation policy;
- "(2) the extent to which the proposed planning focuses on systems which will achieve sustained speeds of 125 mph or greater;
- "(3) the integration of the corridor into metropolitan area and statewide transportation planning;
- "(4) the potential interconnection of the corridor with other parts of the Nation's transportation system, including the interconnection with other countries;
- "(5) the anticipated effect of the high-speed rail service on the congestion of other modes of transportation;
- "(6) whether the work to be funded will aid the efforts of State and local governments to comply with the Clean Air Act (42 U.S.C. 7401 et seq.);

"(7) the past and proposed financial commitments and other support of State and local governments and the private sector to the proposed high-speed rail program, including the acquisition of rolling stock;

"(8) the estimated level of ridership;

"(9) the estimated capital cost of corridor improvements, including the cost of closing, improving, or separating highway-rail grade crossings;

- "(10) rail transportation employment impacts;
- "(11) community economic impacts;
- "(12) the extent to which the projected revenues of the high-speed rail service, along with

any financial commitments of State or local governments and the private sector, are expected to cover capital costs and operating and maintenance expenses;

"(13) whether a specific route has been selected, specific improvements identified, and capacity studies completed; and

"(14) whether the corridor has been designated as a high-speed rail corridor by the Secretary.

**"SEC. 26102. HIGH-SPEED RAIL TECHNOLOGY IMPROVEMENTS.**

"(a) **AUTHORITY.**—The Secretary may undertake activities for the improvement, adaptation, and integration of developed technologies for commercial application in high-speed rail service in the United States.

"(b) **ELIGIBLE RECIPIENTS.**—In carrying out activities authorized by subsection (a), the Secretary may provide financial assistance to any United States private business, educational institution located in the United States, State or local government or public authority, or agency of the Federal Government.

"(c) **CONSULTATION WITH OTHER AGENCIES.**—In carrying out activities authorized by subsection (a), the Secretary shall consult with such other governmental agencies as may be necessary concerning the availability of appropriate technologies for commercial application in high-speed rail service in the United States.

**"SEC. 26103. SAFETY REGULATIONS.**

"The Secretary shall promulgate such safety regulations as may be necessary for high-speed rail.

**"SEC. 26104. AUTHORIZATION OF APPROPRIATIONS.**

"(a) **FISCAL YEAR 1995.**—There are authorized to be appropriated to the Secretary \$29,000,000 for fiscal year 1995, for carrying out sections 26101 and 26102.

"(b) **FISCAL YEAR 1996.**—(1) There are authorized to be appropriated to the Secretary \$40,000,000 for fiscal year 1996, for carrying out section 26101.

"(2) There are authorized to be appropriated to the Secretary \$30,000,000 for fiscal year 1996, for carrying out section 26102.

"(c) **FISCAL YEAR 1997.**—(1) There are authorized to be appropriated to the Secretary \$45,000,000 for fiscal year 1997, for carrying out section 26101.

"(2) There are authorized to be appropriated to the Secretary \$40,000,000 for fiscal year 1997, for carrying out section 26102.

"(d) **FUNDS TO REMAIN AVAILABLE.**—Funds made available under this section shall remain available until expended.

**"SEC. 26105. DEFINITIONS.**

"For purposes of this chapter—

"(1) the term 'financial assistance' includes grants, contracts, and cooperative agreements;

"(2) the term 'high-speed rail' has the meaning given such term under section 511(n) of the Railroad Revitalization and Regulatory Reform Act of 1976;

"(3) the term 'publicly funded costs' means the costs funded after April 29, 1993, by Federal, State, and local governments;

"(4) the term 'Secretary' means the Secretary of Transportation;

"(5) the term 'State' means any of the several States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and any other territory or possession of the United States; and

"(6) the term 'United States private business' means a business entity organized under the laws of the United States, or of a State, and conducting substantial business operations in the United States."

(b) **CONFORMING AMENDMENTS.**—(1) The table of chapters of subtitle V of title 49, United States Code, is amended by striking the items re-

lating to part D and inserting in lieu thereof the following:

**"PART D—HIGH-SPEED RAIL**

**"261. HIGH-SPEED RAIL ASSISTANCE 26101**

**"PART E—MISCELLANEOUS**

**"281. LAW ENFORCEMENT ..... 28101".**

(2) The table of sections of chapter 281 of title 49, United States Code, as such chapter is redesignated by subsection (a)(1) of this section, is amended—

(A) by striking "26101" and inserting in lieu thereof "28101"; and

(B) by striking "26102" and inserting in lieu thereof "28102".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California [Ms. SCHENK] will be recognized for 20 minutes, and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from California [Ms. SCHENK].

Ms. SCHENK. Mr. Speaker, I yield myself such time as I may consume.

**GENERAL LEAVE**

Ms. SCHENK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4867, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. SCHENK. Mr. Speaker, I rise in support of H.R. 4867, the High-Speed Rail Development Act of 1994.

I introduced this bill on August 1 with the most distinguished chairman of the full Committee on Energy and Commerce, the gentleman from Michigan [Mr. DINGELL], and the distinguished chairman of the Subcommittee on Transportation and Hazardous Materials, the gentleman from Washington [Mr. SWIFT].

Mr. Speaker, high-speed rail is an idea whose time has arrived. H.R. 4867 represents the first commitment in the history of this great Nation to the development and implementation of a high-speed rail transportation network.

As any schoolchild studying American history can tell us, this country was shaped and built by its rail systems. However, over the decades, we have largely abandoned rail for autos, trucks, and airplanes. Decades have passed and we have begun to realize that our skies are becoming congested and our highways have become rivers of slow-moving red lights. Meanwhile, the booming economies of Europe and Asia were investing in, of all things, rail. No, not the trains of our nostalgia but new, high-tech, high-speed equipment zooming along cleanly, safely, quietly, and efficiently at speeds of over 125 and 150 miles per hour.

In this country, across the spectrum, transportation experts, public officials, and average citizens were beginning to think about and talk about high-speed rail for the United States. In the early

1980's, I was California's Secretary of Business, Transportation, and Housing. At that time I started to learn about the potential of high-speed rail. We were just breaking ground for our then newest and most expensive freeway, the Century Freeway. In 1980 dollars it was to cost \$100 million a mile for 17 miles. For those who always stopped the discussion about high-speed rail at the dollar amounts involved, we now had some comparisons.

At the start of the Clinton administration and this 103d Congress, some old and new hands came together to provide the first real steps needed to bring about high-speed rail in this Nation. Long-time supporters such as our distinguished and esteemed full committee chairman, the gentleman from Michigan [Mr. DINGELL], and our distinguished subcommittee chairman, the gentleman from Washington [Mr. SWIFT], joined with newcomers such as me, with the ranking minority member, the gentleman from California [Mr. MOORHEAD], with our subcommittee ranking member, the gentleman from Ohio [Mr. OXLEY], and with our colleague, the gentleman from Michigan [Mr. UPTON], and we began to work on this issue.

The administration, especially Secretary of Transportation Peña, also gave us strong support. In April of last year, the administration's original high-speed rail proposal was introduced. That legislation, H.R. 1919, was reported out of the Committee on Energy and Commerce in late July. Meanwhile, we were visited here in Washington and across the country by the tilt train of Sweden and the ice train of Germany, two high-speed rail marvels.

Unfortunately, following our full committee markup, it became very clear that we could not provide the funding levels specified in that bill. There were also other problems.

For the past several months, we on the Committee on Energy and Commerce have worked with the Department of Transportation and the Federal Railroad Administration to resolve the funding and other issues and to forge a consensus bill that reflects the realities of a tight budget. H.R. 4867 is the product of those efforts. This is a very different bill from the one originally reported out.

Our ultimate goal is the construction of a safe, fast, efficient, and environmentally sound high-speed rail transportation system. H.R. 4867 establishes the policy framework and takes the first steps toward achieving that goal. It authorizes total appropriations of \$29 million in fiscal year 1995, \$70 million in fiscal year 1996, and \$85 million in fiscal year 1997 for two primary purposes.

It is important to underscore again that these dollar amounts are vastly different than the original \$1.8 billion in H.R. 1919.

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Section 26101 of the bill specifies criteria for Federal assistance to States for purposes of corridor planning.

In 1992, the Department of Transportation identified five high priority, high-speed rail corridors, including from my hometown of San Diego to Los Angeles, and San Francisco and Sacramento via the San Joaquin Valley. In addition to the five corridors specified, the existing New York State high-speed corridor is also eligible for Federal assistance.

Under H.R. 4867 the Federal Government can provide up to 50 percent in matching funds to States for a variety of corridor activities, including environmental assessments, economic analysis, feasibility studies, preliminary engineering and the acquisitions of rights of way.

Section 26102 authorizes the Secretary to provide funding for the adaptation and integration of developed technologies for commercial application in this country. This type of commitment to technology development is long overdue. High-speed innovations such as maglev and the tilt train are U.S. technologies that have been commercialized and applied overseas.

It is my hope that this bill will jumpstart the efforts of private industry and help create thousands of jobs in our country. For States and localities such as my own home State of California, high-speed rail can be one of the most important modes of transporting people and goods into the future. So today it is a special, indeed a momentous occasion for me, and I feel privileged to offer H.R. 4867.

Mr. Speaker, I would like to offer my most heartfelt appreciation to both Chairman DINGELL and Chairman SWIFT for moving with me on this issue and for providing me the privilege of offering the bill today. They and their outstanding staffs have been extremely generous. In particular I want to commend Chairman SWIFT for his tireless leadership on these issues. He is an inspiration to us all and his pending retirement is this body's loss. I also want to thank and commend our ranking member, the gentleman from California [Mr. MOORHEAD], and our subcommittee ranking member, the gentleman from Ohio [Mr. OXLEY], for their support, efforts, and cooperation.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to support approval of this legislation to advance the development of high-speed rail passenger service in the United States. This bill is a modest first step in a long-term process. It is aimed at assisting State and local governments with the costs of pre-construction activities such as planning, environmental as-

sessments, and refinement of developed technologies for use in high-speed rail corridors.

Although I had hoped for broader legislation in this area, H.R. 4867 will help lay the foundation for actual construction of the various infrastructure improvements needed for future high-speed rail passenger service.

I want to commend Chairman DINGELL, Subcommittee Chairman SWIFT, and the subcommittee's ranking member, MIKE OXLEY, for their work on this legislation.

We in California are particularly conscious of the benefits of high-speed rail as part of our overall transportation strategy. It is energy-efficient, environmentally benign, and it helps alleviate traffic congestion and meet our Clean Air Act air quality standards.

We know that the Nation's freight railroads will be key players in the ultimate operation of high-speed rail passenger service, because they own most of the rights-of-way which will have to be used for high-speed corridors. In California, we have so far been successful in obtaining the cooperation of the freight carriers in making rights-of-way available for our conventional passenger and commuter service. As we move on to high-speed rail, it is quite clear that suitable liability arrangements will have to be made to assure access to needed facilities. I believe that this is an area where the Department of Transportation can perform a vital service in its planning processes—both under current law and under this legislation. DOT can help to suggest approaches to addressing the liability problem as part of the planning and other pre-construction preparations provided for in this bill.

Ms. SCHENK. Mr. Speaker, I yield such time as he may consume to our distinguished full committee chairman, the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I thank the distinguished gentlewoman from California for yielding me the time.

Mr. Speaker, I commend the chairman of the Subcommittee on Transportation and Hazardous Materials, Mr. SWIFT, for his leadership regarding this legislation. I also want to thank the ranking Republican member of the Committee, Mr. MOORHEAD, and the ranking member of the subcommittee, Mr. OXLEY, for their help and support. Finally, I want to offer special thanks to the author of this legislation, Ms. SCHENK, and to Mr. UPTON.

H.R. 4867 is not the same bill the Committee on Energy and Commerce passed last year. Due to budget constraints, this legislation has been scaled back significantly.

Given available resources, this is the best we can do at this time. H.R. 4867 is a corridor planning and technology development bill which authorizes activities to assist in the implementation of

steel-wheel high-speed rail transportation. It focuses on practical and efficient use of limited resources.

High-speed rail transportation is a field of great potential public benefit. It is recognized increasingly as an economically viable and socially acceptable solution to problems facing many intercity corridors. Changes need to be made in our transportation priorities by encouraging interested State and local governments to facilitate the development of needed high-speed rail corridors.

Although H.R. 4867 contains no construction or corridor implementation, it does contain important provisions to provide the framework for future high-speed rail corridors. It allows the Secretary of Transportation to provide financial assistance to States or public agencies for eligible high-speed rail corridor planning activities. It also allows the Secretary to provide financial assistance for developed technology improvements to assist in the implementation of high-speed rail service in the United States.

H.R. 4867 is a modest step forward in the development of steel-wheel high-speed rail activities, but it is at least a step in the right direction.

I would like to thank FRA and DOT for their help and guidance in crafting this legislation.

Mr. Speaker, I urge my colleagues to support H.R. 4867.

Mr. SWIFT. Mr. Speaker, H.R. 4867, the High-Speed Rail Development Act of 1994, has been a long time in the making. It is the second piece of high-speed rail legislation that has been considered by the Committee on Energy and Commerce in this Congress. Last year, the committee passed very ambitious legislation which would have provided substantial funding for high-speed rail corridor implementation and technology development. Unfortunately, due to budget constraints, we were unable to proceed with that piece of legislation. However, the importance of high-speed rail and its potential role in our Nation's transportation system should not be ignored. The fact that rail passenger transportation is cost-effective, energy efficient, and environmentally friendly are just a few of the reasons why Congress should encourage States to include high-speed rail as part of their transportation mix.

H.R. 4867 authorizes preconstruction activities through appropriate Federal financing assistance for corridor planning activities and technology improvements. In providing financial assistance, the bill requires the Secretary of Transportation to consider a broad range of criteria including whether the corridor has been designated as a high-speed rail corridor. The legislation sends an important message that the Federal Government is going to be a partner with the States that desire to include high-speed rail in

their transportation program. And that message will be welcomed in many States, including my own State of Washington, which has committed significant State resources for its rail passenger program.

I would like to commend the author of the legislation, Congresswoman LYNN SCHENK, who has been an ardent supporter and tremendous advocate for high-speed rail. Additionally, the leadership of Chairman DINGELL and the efforts of the ranking member on the Subcommittee on Transportation and Hazardous Materials, Congressman MIKE OXLEY, allowed for the expeditious consideration of this legislation. I urge my colleagues to support the High-Speed Rail Development Act of 1994.

Mr. MOORHEAD. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Speaker, let me just say I rise in opposition to this bill. We have not been able to make our passenger rail system in this country work after 50 years of desperately trying to get it to work and still it does not work. It continually requires a subsidy. The gentleman from Michigan [Mr. DINGELL] and I come to the floor and debate every year on whether or not we ought to privatize the Amtrak system, and so far I have not prevailed in that.

But to throw \$184 million at this kind of a concept when we are losing money like crazy just does not make any sense to me. The reality is in America no one wants to ride the train. I will not say no one. Some people do, particularly in the eastern corridor. Here the trains are used, but by and large across the country people do not want to ride the train. Why do we not accept that? In fact, even small percentages do in foreign countries where they consider it a great success.

We cannot make it work now, so we are throwing this money after somebody's idea, after a theoretical concept that we ought to make it work. I just do not think that is correct.

Yes, this is a scaled down version. This is not the \$140 million in fiscal 1994 to \$355 million in fiscal 1998 that was proposed by the committee last year. This is only \$184 million.

Let us look at what we get for the \$184 million. We get some planning. We do not get 1 mile of rail. We do not get a single car; we do not get a station. We get some planning for a high-speed rail system in this country that we do not even have a very good concept of whether we need it or want it.

So, Mr. Speaker, I would hope we would defeat this measure, save the \$184 million.

Ms. SCHENK. Mr. Speaker, I would like to thank our extraordinary full committee chairman for his remarks.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Washington [Ms.

CANTWELL], with thanks for her hard work on this particular bill in an area that I think our speaker will particularly appreciate.

Ms. CANTWELL. Mr. Speaker, I rise today in support of this bill.

Let me begin by commending Chairman DINGELL and Chairman SWIFT for their tireless efforts to improve and upgrade rail transportation in this country and the gentlewoman from California [Ms. SCHENK] for her hard work over many months in the development of this legislation. This legislation moves us one step closer to implementation of a high-speed rail system.

The development of a nationwide high-speed rail network is a critical component of our work to create an integrated and efficient national transportation system.

Mr. Speaker, I would like to specifically highlight the positive impact that the development of a high-speed rail system should have on jobs and the work force. The report accompanying this bill:

\*\*\* directs the Secretary of Transportation to work closely with other governmental agencies to maximize the use of domestic workers in the implementation of developed high-speed rail technologies. The Committee believes that development of high-speed rail technologies offers increased opportunities for U.S. manufacturers workers.

I believe that the committee is correct. We have talented, skilled workers around this country who are ready and able to be partners with the government and industry in the development and manufacture of high speed transportation. We need not look any further than our domestic workforce to develop, build and maintain high-speed rail.

Today, the House can take an important step toward making a high-speed rail network a reality in this country. I look forward to working with my colleagues in Congress and in the administration to implement this legislation and keep our work force on track with the development of high-speed rail.

Mr. Speaker, I urge my colleagues to support this bill.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 4867, the High-Speed Rail Development Act of 1994 and commend my colleague, Ms. SCHENK of California, for her hard work on this important piece of legislation.

This bill would allow the Federal Government to fund up to 50 percent of the costs of corridor planning and other preconstruction activities, thus allowing States to proceed forward on important high-speed rail planning initiatives. Such planning is crucial if our Nation is to proceed forward into the 21st century. Many of our Nation's transportation corridors are in need of updated technology to ensure economic growth, ease of travel, and a better standard of living.

As a Representative from New York I support high-speed rail initiatives as well as rail technology such as maglev. I believe that both of these projects can and should proceed forward in the hopes of providing New York as

well as the rest of the Nation with a transportation corridor that is second to none.

Accordingly, I urge all of my colleagues, including those from New York to support this important legislation as well as maglev opportunities.

Mr. OXLEY. Mr. Speaker, I rise in strong support of H.R. 4867, a bill to move forward the process of selecting and planning high-speed rail corridors around the United States. This legislation is structured to assist State and local governments in planning and other preconstruction activities at eventual construction of high-speed rail rights-of-way. It provides for a matching program under which the Federal Government will assist the State and local governments in funding planning, feasibility studies, and the refinement of already developed technologies for use in high-speed rail passenger service.

One of these developed technologies that may well prove crucial to high-speed rail in corridors of lower population density is high-speed nonelectric locomotives, such as those powered by turbine. Amtrak has utilized first-generation locomotives of this type on certain routes outside the Northeast corridor, and improved versions hold the promise of allowing true high-speed operation on other routes where construction of a complete overhead electrical catenary system is not cost-effective. Under H.R. 4867, DOT is authorized to assist in the funding of improvement and adaptation of developed technologies for high-speed rail use, and turbine-powered high-speed locomotives should clearly be considered as one of these key technologies.

I want to commend Chairman DINGELL, subcommittee Chairman SWIFT, and our committee's ranking member, Mr. MOORHEAD, for their diligent work in moving this legislation forward. The bill is only a first step toward future rail service, but it is at least a beginning. We know that high-speed rail service must be part of any balanced national transportation policy.

One of the concerns that I raised with regard to the much more elaborate predecessor bill, H.R. 1919, and with respect to this bill as well, is the problem of the tort liability exposure of freight railroads who make their rights-of-way and facilities available for high-speed passenger service. This is a serious obstacle to actually getting high-speed trains up and running. The bill we are considering today is limited to planning and pre-construction activities, and so does not contain any direct solution to the liability problem. But any sound planning process must recognize the liability issue and deal with it.

To that end, I want to stress the importance of the Department of Transportation's focusing on the liability problem even in the planning phase of high-speed rail. Under section 1036(c) of the Intermodal Surface Transportation Efficiency Act—known as ISTEA—DOT is required to complete a commercial feasibility study of high-speed rail by mid-1995. That law already lists availability of rights-of-way as one of the key issues DOT is supposed to address. I want to emphasize that dealing with the liability issue is an essential prerequisite to obtaining the use of any right-of-way, and therefore should be prominently featured in the DOT study, and in DOT's policy when it implements H.R. 4867.

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Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. SCHENK. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TRAFICANT). The question is on the motion offered by the gentlewoman from California [Ms. SCHENK] that the House suspend the rules and pass the bill, H.R. 4867, as amended.

The question was taken.

Mr. HEFLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### RAILROAD UNEMPLOYMENT INSURANCE AMENDMENTS ACT OF 1994

Ms. SCHENK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4868) to amend the Railroad Unemployment Insurance Act to reduce the waiting period for benefits payable under that Act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4868

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "Railroad Unemployment Insurance Amendments Act of 1994".*

#### SEC. 2. WAITING PERIOD FOR UNEMPLOYMENT BENEFITS.

*Section 2(a)(1)(A) of the Railroad Unemployment Insurance Act is amended to read as follows:*

*"(A) PAYMENT OF UNEMPLOYMENT BENEFITS.—*

*"(i) GENERALLY.—Except as otherwise provided in this subparagraph, benefits shall be payable to any qualified employee for each day of unemployment in excess of 4 during any registration period within a period of continuing unemployment.*

*"(ii) WAITING PERIOD FOR FIRST REGISTRATION PERIOD.—Benefits shall be payable to any qualified employee for each day of unemployment in excess of 7 during that employee's first registration period in a period of continuing unemployment if—*

*"(I) such registration period includes more than 4 days of unemployment; and*

*"(II) such period of continuing unemployment is the employee's initial period of continuing unemployment in the benefit year.*

*"(iii) STRIKES.—*

*"(I) INITIAL 14-DAY WAITING PERIOD.—If the Board finds that a qualified employee has a period of continuing unemployment that includes days of unemployment due to a stoppage of work because of a strike in the establishment, premises, or enterprise at which such employee was last employed, no benefits shall be payable for such employee's first 14 days of unemployment due to such stoppage of work.*

*"(II) SUBSEQUENT DAYS OF UNEMPLOYMENT.—For subsequent days of unemployment due to the same stoppage of work, benefits shall be payable as provided in clause (i) of this subparagraph.*

*"(III) SUBSEQUENT PERIODS OF CONTINUING UNEMPLOYMENT.—If such period of continuing unemployment ends by reason of clause (v) but the stoppage of work continues, the waiting period established in clause (ii) shall apply to the employee's first registration period in a new period of continuing unemployment based upon the same stoppage of work.*

*"(iv) DEFINITION OF PERIOD OF CONTINUING UNEMPLOYMENT.—Except as limited by clause (v), for the purposes of this subparagraph, the term 'period of continuing unemployment' means—*

*"(I) a single registration period that includes more than 4 days of unemployment;*

*"(II) a series of consecutive registration periods, each of which includes more than 4 days of unemployment; or*

*"(III) a series of successive registration periods, each of which includes more than 4 days of unemployment, if each succeeding registration period begins within 15 days after the last day of the immediately preceding registration period.*

*"(v) SPECIAL RULE REGARDING END OF PERIOD.—For purposes of applying clause (ii), a period of continuing unemployment ends when an employee exhausts rights to unemployment benefits under subsection (c) of this section.*

*"(vi) LIMIT ON AMOUNT OF BENEFITS.—No benefits shall be payable to an otherwise eligible employee for any day of unemployment in a registration period where the total amount of the remuneration (as defined in section 1(f) of this Act) payable or accruing to him for days within such registration period exceeds the amount of the base year monthly compensation base. For this purpose, an employee's remuneration shall be deemed to include the gross amount of any remuneration that would have become payable to that employee but did not become payable because that employee was not ready or willing to perform suitable work available to that employee on any day within such registration period."*

#### SEC. 3. WAITING PERIOD FOR SICKNESS BENEFITS.

*Section 2(a)(1)(B) of the Railroad Unemployment Insurance Act is amended to read as follows:*

*"(B) PAYMENT OF SICKNESS BENEFITS.—*

*"(i) GENERALLY.—Except as otherwise provided in this subparagraph, benefits shall be payable to any qualified employee for each day of sickness after the fourth consecutive day of sickness in a period of continuing sickness but excluding 4 days of sickness in any registration period in such period of continuing sickness.*

*"(ii) WAITING PERIOD FOR FIRST REGISTRATION PERIOD.—Benefits shall be payable to any qualified employee for each day of sickness in excess of 7 during that employee's first registration period in a period of continuing sickness if such registration period begins with 4 consecutive days of sickness and includes more than 4 days of sickness, except that the waiting period established in this clause shall not apply to the first registration period in any subsequent period of continuing sickness that begins in the same benefit year.*

*"(iii) DEFINITION OF PERIOD OF CONTINUING SICKNESS.—For the purposes of this subparagraph, a period of continuing sickness means—*

*"(I) a period of consecutive days of sickness, whether from 1 or more causes; or*

*"(II) a period of successive days of sickness due to a single cause without interruption of more than 90 consecutive days which are not days of sickness.*

*"(iv) SPECIAL RULE REGARDING END OF PERIOD.—For purposes of applying clause (ii), a period of continuing sickness ends when an employee exhausts rights to sickness benefits under subsection (c) of this section."*

#### SEC. 4. MAXIMUM DAILY BENEFIT RATE.

*Section 2(a)(3) of the Railroad Unemployment Insurance Act is amended to read as follows:*

"(3) The maximum daily benefit rate computed by the Board under section 12(r)(2) shall be the product of the monthly compensation base, as computed under section 1(i)(2) for the base year immediately preceding the beginning of the benefit year, multiplied by 5 percent. If the maximum daily benefit rate so computed is not a multiple of \$1.00, it shall be rounded down to the nearest multiple of \$1.00."

#### SEC. 5. MAXIMUM NUMBER OF DAYS FOR BENEFITS.

(a) IN GENERAL.—Section 2(c) of the Railroad Unemployment Insurance Act is amended to read as follows:

"(c) MAXIMUM NUMBER OF DAYS FOR BENEFITS.—

"(1) NORMAL BENEFITS.—

"(A) GENERALLY.—The maximum number of days of unemployment within a benefit year for which benefits may be paid to an employee shall be 130, and the maximum number of days of sickness within a benefit year for which benefits may be paid to an employee shall be 130.

"(B) LIMITATION.—The total amount of benefits that may be paid to an employee for days of unemployment within a benefit year shall in no case exceed the employee's compensation in the base year; and the total amount of benefits that may be paid to an employee for days of sickness within a benefit year shall in no case exceed the employee's compensation in the base year, except that notwithstanding section 1(i), in determining the employee's compensation in the base year for the purpose of this sentence, any money remuneration paid to the employee for services rendered as an employee shall be taken into account that—

"(i) is not in excess of \$775 in any month before 1989; and

"(ii) in any month in a base year after 1988, is not in excess of an amount that bears the same ratio to \$775 as the monthly compensation base for that year as computed under section 1(i) bears to \$600.

"(2) EXTENDED BENEFITS.—

"(A) GENERALLY.—With respect to an employee who has 10 or more years of service as defined in section 1(f) of the Railroad Retirement Act of 1974, who did not voluntarily retire and (in a case involving exhaustion of rights to normal benefits for days of unemployment) did not voluntarily leave work without good cause, and who had current rights to normal benefits for days of unemployment or days of sickness in a benefit year but has exhausted such rights, the benefit year in which such rights are exhausted shall be deemed not to be ended until the last day of the extended benefit period determined under this paragraph, and extended unemployment benefits or extended sickness benefits (depending on the type of normal benefit rights exhausted) may be paid for not more than 65 days of unemployment or 65 days of sickness within such extended benefit period.

"(B) BEGINNING DATE.—An employee's extended benefit period shall begin on the employee's first day of unemployment or first day of sickness, as the case may be, following the day on which the employee exhausts the employee's then current rights to normal benefits for days of unemployment or days of sickness and shall continue for 7 consecutive 14-day periods, each of which shall constitute a registration period, but no such extended benefit period shall extend beyond the beginning of the first registration period in a benefit year in which the employee is again qualified for benefits in accordance with section 3 on the basis of compensation earned after the first of such consecutive 14-day periods has begun.

"(C) TERMINATION WHEN EMPLOYEE REACHES AGE OF 65.—Notwithstanding any other provision of this paragraph, an extended benefit period for sickness benefits shall terminate on the

day next preceding the date on which the employee attains age 65, except that it may continue for the purpose of paying benefits for days of unemployment.

"(3) ACCELERATED BENEFITS.—

"(A) GENERAL RULE.—With respect to an employee who has 10 or more years of service as defined in section 1(f) of the Railroad Retirement Act of 1974, who did not voluntarily retire, and (in a case involving unemployment benefits) did not voluntarily leave work without good cause, who has 14 or more consecutive days of unemployment, or 14 or more consecutive days of sickness, and who is not a qualified employee with respect to the general benefit year current when such unemployment or sickness commences but is or becomes a qualified employee for the next succeeding general benefit year, such succeeding general benefit year shall, in that employee's case, begin on the first day of the month in which such unemployment or sickness commences.

"(B) EXCEPTION.—In the case of a succeeding benefit year beginning in accordance with subparagraph (A) by reason of sickness, such sentence shall not operate to permit the payment of benefits in the period provided for in such sentence for any day of sickness beginning with the date on which the employee attains age 65, and continuing through the day preceding the first day of the next succeeding general benefit year.

"(C) DETERMINATION OF AGE.—For the purposes of this subsection, the Board may rely on evidence of age available in its records and files at the time determinations of age are made."

(b) REPEAL OF DEADWOOD PROVISION.—Section 2(h) of the Railroad Unemployment Insurance Act is repealed.

(c) REPEAL OF EXPIRED PROVISION.—Section 17 of the Railroad Unemployment Insurance Act (45 U.S.C. 368), relating to payment of supplemental unemployment benefits, is repealed.

#### SEC. 6. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Ms. SCHENK] will be recognized for 20 minutes, and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Ms. SCHENK].

#### GENERAL LEAVE

Ms. SCHENK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on H.R. 4868, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Ms. SCHENK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Railroad Unemployment Insurance Amendments Act of 1994 embodies a comprehensive agreement reached between rail management and rail labor.

H.R. 4868 revises railroad unemployment and sickness benefits to bring them more into line with the benefits provided under State unemployment systems. As Members know, the railroad unemployment insurance system is an entirely self-funded system; there are no taxpayer moneys involved.

Railroad unemployment insurance currently has a 2-week waiting period before benefits begin to accrue. By contrast, 39 States have a 1-week waiting period and 11 States have no waiting period for benefits. H.R. 4868 reduces the waiting period from 2 weeks to 7 days.

As a partial offset to the increases in daily benefits and the reduction in the waiting period, the legislation reduces two of the advantages to workers covered by railroad unemployment insurance.

First, it reduces the limit on extended benefits from 130 days to 65 days.

Second, it introduces an earnings test that would disqualify workers whose partial earnings exceed the prior base year monthly qualifying earnings—currently \$810—in a 2-week benefits period.

Mr. Speaker, H.R. 4868 is the result of long negotiations between rail labor and management.

It is strongly supported by both groups, and by the majority and minority of our Committee on Energy and Commerce. I urge its adoption by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support enactment of H.R. 4868. This bill represents a much-needed updating of the benefit levels under the Federal railroad unemployment insurance system.

The bill represents a consensus approach suggested to the Congress by the management of the Nation's major railroads and by rail labor. It also represents considerable effort by our committee chairman, Mr. DINGELL, our subcommittee chairman, Mr. SWIFT, and our subcommittee's ranking member Mr. OXLEY.

H.R. 4868 builds upon the financially sound railroad unemployment insurance system that has benefited from a number of key improvements enacted by Congress in the 1980's. Although this legislation partially offsets the increases in daily benefits with changes to long-term benefits and other aspects of the RUI system, it will still increase overall costs by about 15 percent. However, because Congress placed the RUI system on "experience-rating" in 1988, any increase in benefits paid out will automatically produce a compensating increase in carrier premiums in the following year. Consequently, the fiscal impact of this bill is minimal, and no changes were necessary to the basic payroll tax system supporting the railroad unemployment insurance system.

Mr. Speaker, I strongly support approval of this bipartisan bill.

Mr. DINGELL. Mr. Speaker, I commend Chairman SWIFT, Mr. MOORHEAD, and Mr. OXLEY for their hard work and support in

crafting this piece of legislation. I also want to thank the Railroad Retirement Board and its staff for technical assistance.

This legislation is a bipartisan bill and a collaborative effort between rail labor and rail management. It makes several improvements to the current railroad unemployment insurance system by revising railroad unemployment and sickness benefits and bringing them more into line with benefits provided by State unemployment systems. The bill also establishes revised benefit and indexing formulas.

H.R. 4868 reduces the waiting period for benefits from 2 weeks to 7 days. Thirty-nine State unemployment systems currently have a 1-week waiting period and 11 have none. This legislation also increases the level of benefits and improves the indexing formula for such benefits. The railroad unemployment insurance system currently provides a maximum benefit rate of \$36 per day. H.R. 4868 will increase the benefit rate to \$40 per day.

H.R. 4868 creates a more uniform railroad unemployment insurance system. Many features of the current railroad unemployment insurance system emerged from legislation passed in 1988 when the old Railroad Unemployment System was in debt to the Railroad Retirement System. Since 1988, the system's financial health has improved greatly and rail labor and rail management support the changes reflected in H.R. 4868.

I urge my colleagues to support this legislation.

Mr. OXLEY. Thank you, Mr. Speaker. I rise in strong support of H.R. 4868. This is a bipartisan bill to update the Railroad Unemployment Insurance Act—the Federal system of unemployment and sickness benefits that applies to the railroad industry. I want to recognize and commend the efforts of Chairman DINGELL, Subcommittee Chairman SWIFT, and our ranking member, Mr. MOORHEAD, for their efforts in moving this bill forward so expeditiously.

H.R. 4868 is based on draft legislation jointly submitted to our committee by railroad labor and the management of the Nation's major railroads. It represents a consensus approach to increasing daily RUI benefits for those who need them most, and helping to offset some of the costs with modifications to long-term benefits and other features of the RUI system.

The bill has no significant fiscal impact, and requires no modification in the payroll tax system that supports the RUI system. This reflects the decision Congress made in 1988 to place the RUI system on an experience-rating basis, so that each railroad's premiums are based on its actual payout of benefits for the preceding year. Because of this feature, the increase in daily benefits provided for in H.R. 4868 will automatically be offset by increased carrier premiums. This is a sound and responsible approach to keeping the RUI system on a stable financial footing. In fact, I think it is a classic case of a sound private-sector insurance technique being applied to operations of the Federal Government. Since we hear a lot these days about "reinventing government," we might do well to look for other cases where the knowledge and experience of the private sector can be applied to improve Government efficiency.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. SCHENK. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California [Ms. SCHENK] that the House suspend the rules and pass the bill, H.R. 4868, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### CONCURRING IN SENATE AMENDMENT TO H.R. 2178, HAZARDOUS MATERIALS TRANSPORTATION ACT AMENDMENTS OF 1993

Mr. MINETA. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 2178) to amend the Hazardous Materials Transportation Act to authorize appropriations for fiscal years 1994, 1995, 1996, and 1997, and for other purposes.

The Clerk read as follows:

Senate amendment: Strike out all after the enacting clause and insert:

#### TITLE I—HAZARDOUS MATERIALS TRANSPORTATION ACT AMENDMENTS

##### SEC. 101. SHORT TITLE.

This title may be cited as the "Hazardous Materials Transportation Authorization Act of 1994".

##### SEC. 102. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

##### SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

Section 5127(a) (relating to authorization of appropriations) is amended by striking out "the fiscal year ending September 30, 1993," and inserting "fiscal year 1993, \$18,000,000 for fiscal year 1994, \$18,540,000 for fiscal year 1995, \$19,100,000 for fiscal year 1996, and \$19,670,000 for fiscal year 1997".

##### SEC. 104. EXEMPTIONS FROM REQUIREMENT TO FILE REGISTRATION STATEMENT.

Section 5108(a) (relating to persons required to file) is amended by adding at the end the following new paragraph:

"(4) The Secretary may waive the filing of a registration statement, or the payment of a fee, required under this subsection, or both, for any person not domiciled in the United States who solely offers hazardous materials for transportation to the United States from a place outside the United States if the country of which such person is a domiciliary does not require persons domiciled in the United States who solely offer hazardous materials for transportation to the foreign country from places in the United States to file registration statements, or to pay fees, for making such an offer."

##### SEC. 105. PLANNING GRANTS FOR INDIAN TRIBES.

(a) AUTHORITY TO MAKE GRANTS.—Section 5116(a)(1) (relating to planning grants) is amended—

(1) by inserting "and Indian tribes" after "States" the first place it appears; and

(2) by striking "in a State and between States" and inserting "on lands under the jurisdiction of a State or Indian tribe, and between lands under the jurisdiction of a State or Indian tribe and lands of another State or Indian tribe".

(b) MAINTENANCE OF EFFORT.—Section 5116(a)(2) (relating to planning grants) is amended—

(1) by inserting "or Indian tribe" after "State" the first and third places it appears;

(2) by striking "the State" the second place it appears;

(3) by inserting "the State or Indian tribe" before "certifies"; and

(4) by inserting "the State" before "agrees".

(c) COORDINATION OF PLANNING.—Section 5116(a) (relating to planning grants in general) is amended by adding at the end the following new paragraph:

"(3) A State or Indian tribe receiving a grant under this subsection shall ensure that planning under the grant is coordinated with emergency planning conducted by adjacent States and Indian tribes."

##### SEC. 106. TRAINING CRITERIA FOR SAFE HANDLING AND TRANSPORTATION.

Section 5107(d) (relating to coordination of training requirements) is amended—

(1) by inserting "or duplicate" after "conflict with"; and

(2) by striking "hazardous waste operations and" and inserting "hazard communication, and hazardous waste operations, and".

##### SEC. 107. DISCLOSURE OF FEES LEVIED BY STATES, POLITICAL SUBDIVISIONS, AND INDIAN TRIBES.

Section 5125(g) (relating to fees) is amended—

(1) by inserting "(1)" after "(g) FEES.—"; and

(2) by adding at the end the following:

"(2) A State or political subdivision thereof or Indian tribe that levies a fee in connection with the transportation of hazardous materials shall, upon the Secretary's request, report to the Secretary on—

"(A) the basis on which the fee is levied upon persons involved in such transportation;

"(B) the purposes for which the revenues from the fee are used;

"(C) the annual total amount of the revenues collected from the fee; and

"(D) such other matters as the Secretary requires."

##### SEC. 108. ANNUAL REPORT.

Section 5121(e) (relating to annual report) is amended—

(1) by striking "Annual" in the subsection heading; and

(2) by striking the first sentence and inserting the following: "The Secretary shall, once every 2 years, prepare and submit to the President for transmittal to the Congress a comprehensive report on the transportation of hazardous materials during the preceding 2 calendar years."

##### SEC. 109. INTELLIGENT VEHICLE-HIGHWAY SYSTEMS.

(a) IN GENERAL.—In implementing the Intelligent Vehicle-Highway Systems Act of 1991 (23 U.S.C. 307 note), the Secretary of Transportation shall ensure that the National Intelligent Vehicle-Highway Systems Program addresses, in a comprehensive and coordinated manner, the use of intelligent vehicle-highway system technologies to promote hazardous materials transportation safety. The Secretary of Transportation shall ensure that 2 or more operational tests funded under such Act shall promote such safety and advance technology for providing information to persons who provide emergency response to hazardous materials transportation incidents.

(b) GRANTS FOR CERTAIN EMERGENCY RESPONSE INFORMATION TECHNOLOGIES.—

(1) In carrying out one of the operational tests under subsection (a), the Secretary of Transportation may make grants to one or more persons,

including a State or local government or department, agency, or instrumentality thereof, to demonstrate the feasibility of establishing and operating computerized telecommunications emergency response information technologies that are used—

(A) to identify the contents of shipments of hazardous materials transported by motor carriers;

(B) to permit retrieval of data on shipments of hazardous materials transported by motor carriers;

(C) to link systems that identify, store, and allow the retrieval of data for emergency response to incidents and accidents involving transportation of hazardous materials by motor carrier; and

(D) to provide information to facilitate responses to accidents and incidents involving hazardous materials shipments by motor carriers either directly or through linkage with other systems.

(2) Any project carried out with a grant under this subsection must involve two or more motor carriers of property. One of the motor carriers selected to participate in the project must be a carrier that transports mostly hazardous materials. The other motor carrier selected must be a regular-route common carrier that specializes in transporting less-than-truckload shipments. The motor carriers selected may be engaged in multimodal movements of hazardous materials with other motor carriers, rail carriers, or water carriers.

(3) To the maximum extent practicable, the Secretary of Transportation shall coordinate a project under this subsection with any existing Federal, State, and local government projects and private projects which are similar to the project under this subsection. The Secretary may require that a project under this subsection be carried out in conjunction with such similar Federal, State, and local government projects and private projects.

#### SEC. 110. RAIL TANK CAR SAFETY.

Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall issue final regulations under the following:

(1) The rulemaking proceeding under Docket HM-175A entitled "Crashworthiness Protection Requirements for Tank Cars".

(2) The rulemaking proceeding under Docket HM-201 entitled "Detection and Repair of Cracks, Pits, Corrosion, Lining Flaws, Thermal Protection Flaws and Other Defects of Tank Car Tanks".

#### SEC. 111. SAFE PLACEMENT OF TRAIN CARS.

The Secretary of Transportation shall conduct a study of existing practices regarding the placement of cars on trains, with particular attention to the placement of cars that carry hazardous materials. In conducting the study, the Secretary shall consider whether such placement practices increase the risk of derailment, hazardous materials spills, or tank ruptures or have any other adverse effect on safety. The results of the study shall be submitted to Congress within 1 year after the date of enactment of this Act.

#### SEC. 112. GRADE CROSSING SAFETY.

The Secretary of Transportation shall, within 6 months after the date of enactment of this Act, amend regulations—

(1) under chapter 51 of title 49, United States Code, (relating to transportation of hazardous materials) to prohibit the driver of a motor vehicle transporting hazardous materials in commerce, and

(2) under chapter 315 of such title (relating to motor carrier safety) to prohibit the driver of any commercial motor vehicle, from driving the motor vehicle onto a highway-rail grade crossing without having sufficient

space to drive completely through the crossing without stopping.

#### SEC. 113. DRIVER'S RECORD OF DUTY STATUS.

(a) IN GENERAL.—

(1) The Secretary of Transportation shall prescribe regulations amending part 395 of title 49, Code of Federal Regulations, to improve—

(A) compliance by commercial motor vehicle drivers and motor carriers with hours of service requirements; and

(B) the effectiveness and efficiency of Federal and State enforcement officers reviewing such compliance.

(2) Such regulations shall be proposed not later than 12 months after the date of enactment of this Act and shall be issued and become effective not later than 18 months after such date of enactment. In prescribing the regulations, the Secretary of Transportation shall ensure that compliance can be achieved at a cost that is reasonable to drivers and motor carriers.

(b) CONTENTS OF REGULATIONS.—Such regulations shall include the following:

(1) A description of identification items (which include either driver name or vehicle number) that shall be part of a written or electronic document to enable such written or electronic document to be used by a motor carrier or by an enforcement officer as a supporting document to verify the accuracy of a driver's record of duty status.

(2) A provision specifying the number, type, and frequency of supporting documents that must be retained by a motor carrier so as to allow verification of the accuracy of such documents at a reasonable cost, to the driver and the motor carrier, of record acquisition and retention.

(3) A provision specifying the period during which supporting documents shall be retained by the motor carrier. The period shall be at least 6 months from the date of a document's receipt.

(4) A provision to authorize, on a case-by-case basis, motor carrier self-compliance systems that ensure driver compliance with hours of service requirements and allow Federal and State enforcement officers the opportunity to conduct independent audits of such systems to validate compliance with section 395.8(k) of title 49, Code of Federal Regulations (or successor regulations thereto). Such authorization may also be provided by the Secretary to a group of motor carriers that meet specific conditions that may be established by regulation by the Secretary and that are subject to audit by Federal and State enforcement officers.

(5) A provision to allow a waiver, on a case-by-case basis, of certain requirements of section 395.8(k) of title 49, Code of Federal Regulations (or successor regulations thereto), when sufficient supporting documentation is provided directly and at a satisfactory frequency to enforcement personnel by an intelligent vehicle-highway system, as defined by section 6059 of the Intelligent Vehicle-Highway Systems Act of 1991 (23 U.S.C. 307 note). Such waiver may also be allowed for a group of motor carriers that meet specific conditions that may be established by regulation by the Secretary.

(c) SUPPORTING DOCUMENT DEFINED.—For purposes of this section, a supporting document is any document that is generated or received by a motor carrier or commercial motor vehicle driver in the normal course of business that could be used, as produced or with additional identifying information, to verify the accuracy of a driver's record of duty status.

#### SEC. 114. SAFETY PERFORMANCE HISTORY OF NEW DRIVERS.

(a) AMENDMENT OF REGULATIONS.—Within 18 months after the date of enactment of this Act, the Secretary of Transportation shall amend section 391.23 of title 49, Code of Federal Regulations (or successor regulations thereto), to—

(1) specify the safety information that must be sought under that section by a motor carrier with respect to a driver;

(2) require that such information be requested from former employers and that former employers furnish the requested information within 30 days after receiving the request; and

(3) ensure that the driver to whom such information applies has a reasonable opportunity to review and comment on the information.

(b) SAFETY INFORMATION.—The safety information required to be specified under subsection (a)(1) shall include information on—

(1) any motor vehicle accidents in which the driver was involved during the preceding 3 years;

(2) any failure of the driver, during the preceding 3 years, to undertake or complete a rehabilitation program under section 31302 of title 49, United States Code (relating to limitation on the number of driver's licenses) after being found to have used, in violation of law or Federal regulation, alcohol or a controlled substance;

(3) any use by the driver, during the preceding 3 years, in violation of law or Federal regulation, of alcohol or a controlled substance subsequent to completing such a rehabilitation program; and

(4) any other matters determined by the Secretary of Transportation to be appropriate and useful for determining the driver's safety performance.

(c) FORMER EMPLOYER.—For purposes of this section, a former employer is any person who employed the driver in the preceding 3 years.

#### SEC. 115. RETENTION OF SHIPPING PAPERS.

Section 5110 (relating to shipping papers and disclosure) is amended by adding at the end the following new subsection:

"(e) RETENTION OF PAPERS.—After the hazardous material to which a shipping paper provided to a carrier under subsection (a) applies is no longer in transportation, the person who provided the shipping paper and the carrier required to maintain it under subsection (a) shall retain the paper or electronic image thereof for a period of 1 year to be accessible through their respective principal places of business. Such person and carrier shall, upon request, make the shipping paper available to a Federal, State, or local government agency at reasonable times and locations."

#### SEC. 116. TOLL FREE NUMBER FOR REPORTING.

The Secretary of Transportation shall designate a toll free telephone number for transporters of hazardous materials and other individuals to report to the Secretary possible violations of chapter 51 of title 49, United States Code, or any order or regulation issued under that chapter.

#### SEC. 117. TECHNICAL CORRECTIONS.

(a) AMENDMENTS RELATING TO PACKAGING.—

(1) Sections 5102(3)(C)(ii) and 5102(4)(A)(iii) are each amended by striking "packages" and inserting "packagings".

(2) Sections 5103(b)(1)(A)(iii), 5121(c)(1)(A), 5125(b)(1)(E), and 5126(a) are each amended by striking "a package or" and inserting "a packaging or a".

(3) Section 5108(a)(1)(D) is amended—

(A) by striking "a bulk package" and inserting in lieu thereof "a bulk packaging"; and

(B) by striking "the package" and inserting "the bulk packaging".

(b) OTHER.—Section 5104(a)(1) is amended by striking "or package" each place it appears and inserting "package, or packaging (or a component of a container, package, or packaging)".

#### SEC. 118. HOURS OF SERVICE RULEMAKING FOR FARMERS AND RETAIL FARM SUPPLIERS.

Not later than 3 months after the date of enactment of this Act the Secretary of Transportation shall initiate a rulemaking proceeding to

determine whether or not the requirements of section 395.3 of title 49, Code of Federal Regulations, relating to hours of service, may be waived for farmers and retail farm suppliers when such farmers and retail farm suppliers are transporting crops or farm supplies for agricultural purposes within a 50-mile radius of their distribution point or farm.

#### SEC. 119. TRAINING.

(a) **SUPPLEMENTAL PUBLIC SECTOR TRAINING GRANTS.**—Section 5116 (relating to planning and training grants, monitoring, and review) is amended by adding at the end the following new subsections:

“(j) **SUPPLEMENTAL TRAINING GRANTS.**—

“(1) In order to further the purposes of subsection (b), the Secretary shall, subject to the availability of funds, make grants to national nonprofit employee organizations engaged solely in fighting fires for the purpose of training instructors to conduct hazardous materials response training programs for individuals with statutory responsibility to respond to hazardous materials accidents and incidents.

“(2) For the purposes of this subsection the Secretary, after consultation with interested organizations, shall—

“(A) identify regions or locations in which fire departments or other organizations which provide emergency response to hazardous materials transportation accidents and incidents are in need of hazardous materials training; and

“(B) prioritize such needs and develop a means for identifying additional specific training needs.

“(3) Funds granted to an organization under this subsection shall only be used—

“(A) to train instructors to conduct hazardous materials response training programs;

“(B) to purchase training equipment used exclusively to train instructors to conduct such training programs; and

“(C) to disseminate such information and materials as are necessary for the conduct of such training programs.

“(4) The Secretary may only make a grant to an organization under this subsection in a fiscal year if the organization enters into an agreement with the Secretary to train instructors to conduct hazardous materials response training programs in such fiscal year that will use—

“(A) a course or courses developed or identified under subsection (g); or

“(B) other courses which the Secretary determines are consistent with the objectives of this subsection;

for training individuals with statutory responsibility to respond to accidents and incidents involving hazardous materials. Such agreement also shall provide that training courses shall be open to all such individuals on a nondiscriminatory basis.

“(5) The Secretary may impose such additional terms and conditions on grants to be made under this subsection as the Secretary determines are necessary to protect the interests of the United States and to carry out the objectives of this subsection.

“(k) **REPORTS.**—Not later than September 30, 1997, the Secretary shall submit to Congress a report on the allocation and uses of training grants authorized under subsection (b) for fiscal year 1993 through fiscal year 1996 and grants authorized under subsection (j) and section 5107 for fiscal years 1995 and 1996. Such report shall identify the ultimate recipients of training grants and include a detailed accounting of all grant expenditures by grant recipients, the number of persons trained under the grant programs, and an evaluation of the efficacy of training programs carried out.”.

(b) **FUNDING.**—Section 5127(b) (relating to appropriations for hazmat employee training) is amended—

(1) by inserting “(1)” after “TRAINING.—”, and

(2) by adding at the end the following:

“(2)(A) There shall be available to the Secretary for carrying out section 5116(j), from amounts in the account established pursuant to section 5116(i), \$250,000 for each of fiscal years 1995, 1996, 1997, and 1998.

“(B) In addition to amounts made available under subparagraph (A), there is authorized to be appropriated to the Secretary for carrying out section 5116(j) \$1,000,000 for each of the fiscal years 1995, 1996, 1997, and 1998.”.

(c) **HAZMAT EMPLOYEE TRAINING PROGRAM.**—

(1) The first sentence of section 5107(e) (relating to hazmat employee training requirements and grants) is amended to read as follows: “The Secretary shall, subject to the availability of funds under section 5127(c)(3), make grants for training instructors to train hazmat employees under this section.”.

(2) The second sentence of such section is amended by inserting “hazmat employee” after “nonprofit”.

(3) Section 5107 (relating to hazmat employee training requirements and grants) is amended by adding at the end thereof the following new subsection:

“(g) **EXISTING EFFORT.**—No grant under subsection (e) shall supplant or replace existing employer-provided hazardous materials training efforts or obligations.”.

(4) Section 5127(b)(1) (relating to hazmat employee training funding) is amended to read as follows:

“(b) **TRAINING OF HAZMAT EMPLOYEE INSTRUCTORS.**—(1) There is authorized to be appropriated to the Secretary \$3,000,000 for each of fiscal years 1995, 1996, 1997, and 1998 to carry out section 5107(e).”.

(d) **CONFORMING AMENDMENTS.**—

(1) Section 5108(g)(2)(A)(viii) is amended by striking “5107(e).”.

(2) Section 5116(i)(1) is amended by striking “and section 5107(e).”.

(3) Section 5116(i)(3) is amended by striking “and section 5107(e).”.

#### SEC. 120. TIME FOR SECRETARIAL ACTION.

(a) **EXEMPTIONS.**—Section 5117 (relating to exemptions and exclusions) is amended—

(1) by redesignating subsections (c) and (d) as (d) and (e) respectively, and

(2) by inserting after subsection (b) the following:

“(c) **APPLICATIONS TO BE DEALT WITH PROMPTLY.**—The Secretary shall issue or renew the exemption for which an application was filed or deny such issuance or renewal within 180 days after the first day of the month following the date of the filing of such application, or the Secretary shall publish a statement in the Federal Register of the reason why the Secretary's decision on the exemption is delayed, along with an estimate of the additional time necessary before the decision is made.”.

(b) **DECISIONS ON PREEMPTION.**—Section 5125(d) (relating to decisions on preemption) is amended by inserting immediately after the second sentence the following: “The Secretary shall issue a decision on an application for a determination within 180 days after the date of the publication of the notice of having received such application, or the Secretary shall publish a statement in the Federal Register of the reason why the Secretary's decision on the application is delayed, along with an estimate of the additional time necessary before the decision is made.”.

#### SEC. 121. STUDY OF HAZARDOUS MATERIALS TRANSPORTATION BY MOTOR CARRIERS NEAR FEDERAL PRISONS.

(a) **STUDY.**—The Secretary of Transportation shall conduct a study to determine the safety considerations of transporting hazardous mate-

rials by motor carriers in close proximity to Federal prisons, particularly those housing maximum security prisoners. Such study shall include an evaluation of the ability of such facilities and the designated local planning agencies to safely evacuate such prisoners in the event of an emergency and any special training, equipment, or personnel that would be required by such facility and the designated local emergency planning agencies to carry out such evacuation. Such study shall not apply to or address issues concerning rail transportation of hazardous materials.

(b) **REPORT.**—Not later than 1 year after the date of the enactment of this Act, the Secretary of Transportation shall transmit to Congress a report on the results of the study conducted under this section, along with the Secretary's recommendations for any legislative or regulatory changes to enhance the safety regarding the transportation of hazardous materials by motor carriers near Federal prisons.

#### SEC. 122. USE OF FIBER DRUM PACKAGING.

(a) **INITIATION OF RULEMAKING PROCEEDING.**—Not later than the 60th day following the date of enactment of this Act, the Secretary of Transportation shall initiate a rulemaking proceeding to determine whether the requirements of section 5103(b) of title 49, United States Code (relating to regulations for safe transportation) as they pertain to open head fiber drum packaging can be met for the domestic transportation of liquid hazardous materials (with respect to those classifications of liquid hazardous materials transported by such drums pursuant to regulations in effect on September 30, 1991) with standards other than the performance-oriented packaging standards adopted under docket number HM-181 contained in part 178 of title 49, Code of Federal Regulations.

(b) **ISSUANCE OF STANDARDS.**—If the Secretary of Transportation determines, as a result of the rulemaking proceeding initiated under subsection (a), that a packaging standard other than the performance-oriented packaging standards referred to in subsection (a) will provide an equal or greater level of safety for the domestic transportation of liquid hazardous materials than would be provided if such performance-oriented packaging standards were in effect, the Secretary shall issue regulations which implement such other standard and which take effect before October 1, 1996.

(c) **COMPLETION OF RULEMAKING PROCEEDING.**—The rulemaking proceeding initiated under subsection (a) shall be completed before October 1, 1995.

(d) **LIMITATIONS.**—

(1) The provisions of subsections (a), (b), and (c) shall not apply to packaging for those hazardous materials regulated by the Department of Transportation as poisonous by inhalation under chapter 51 of title 49, United States Code.

(2) Nothing in this section shall be construed to prohibit the Secretary of Transportation from issuing or enforcing regulations for the international transportation of hazardous materials.

#### SEC. 123. BUY AMERICA.

(a) **COMPLIANCE WITH BUY AMERICAN ACT.**—None of the funds made available under this title may be expended in violation of sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a-10c; popularly known as the “Buy American Act”), which are applicable to those funds.

(b) **SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.**—

(1) In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this title, it is the sense of Congress that entities receiving such assistance should, in expending such assistance, purchase only American-made equipment and products.

(2) In providing financial assistance under this title, the Secretary of Transportation shall

provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by Congress.

(c) **PROHIBITION OF CONTRACTS.**—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this title, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

(d) **RECIPROCITY.**—

(1) Except as provided in paragraph (2), no contract or subcontract may be made with funds authorized under this title to a company organized under the laws of a foreign country unless the Secretary of Transportation finds that such country affords comparable opportunities to companies organized under laws of the United States.

(2)(A) Secretary of Transportation may waive the provisions of paragraph (1) if the products or services required are not reasonably available from companies organized under the laws of the United States. Any such waiver shall be reported to Congress.

(B) Paragraph (1) shall not apply to the extent that to do so would violate the General Agreement on Tariffs and Trade or any other international agreement to which the United States is a party.

## TITLE II—TRUCKING INDUSTRY REGULATORY REFORM

### SEC. 201. SHORT TITLE.

This title may be cited as the "Trucking Industry Regulatory Reform Act of 1994".

### SEC. 202. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

### SEC. 203. PURPOSE.

The purpose of this title is to enhance competition, safety, and efficiency in the motor carrier industry and to enhance efficiency in government.

### SEC. 204. TRANSPORTATION POLICY.

Section 10101(a)(2) (relating to transportation policy) is amended—

(1) by redesignating subparagraphs (A) through (I) as subparagraphs (C) through (K), respectively, and

(2) by inserting before subparagraph (C) (as so redesignated) the following: "(A) encourage fair competition, and reasonable rates for transportation by motor carriers of property; (B) promote Federal regulatory efficiency in the motor carrier transportation system and to require fair and expeditious regulatory decisions when regulation is required;".

### SEC. 205. EXEMPTIONS.

(a) **IN GENERAL.**—Section 10505 (relating to authority to exempt rail carrier transportation) is amended—

(1) by inserting "or a motor carrier providing transportation of property other than household goods, or in non-contiguous domestic trade," after "rail carrier providing transportation" in subsection (a),

(2) by inserting "section 10101 or" before "section 10101a" in subsection (a)(1) and subsection (d),

(3) by inserting "or a motor carrier providing transportation of property other than household goods, or in non-contiguous domestic trade," after "rail carrier" in subsection (f), and

(4) by striking out "or" in subsection (g), and inserting after "subsection" the following: ", (3) to relieve a motor carrier of property or other person from the application or enforcement of the provisions of sections 10706, 10761, 10762, 10927, and 11707 of this title, or (4) to exempt a motor carrier of property from the application of, and compliance with, any law, rule, regulation, standard, or order pertaining to cargo loss and damage; insurance; antitrust immunity for joint line rates and routes, classification of commodities (including uniform packaging rules), uniform bills of lading, or standardized mileage guides; or safety fitness.".

(b) **DEFINITION.**—Section 10102 (relating to definitions) is amended by redesignating paragraphs (18) through (31) as (19) through (32), respectively, and by inserting after paragraph (17) the following:

"(18) 'non-contiguous domestic trade' means motor-water transportation subject to the jurisdiction of the Commission under chapter 105 of this title involving traffic originating in or destined to Alaska, Hawaii, or a territory or possession of the United States.".

### (c) **CLERICAL AMENDMENTS.**—

(1) The caption of section 10505 is amended by inserting "and motor carrier" after "rail carrier".

(2) The chapter analysis for chapter 105 is amended by inserting "and motor carrier" after "rail carrier" in the item relating to section 10505.

### SEC. 206. TARIFF FILING.

(a) **AUTHORITY TO ESTABLISH RATES.**—Section 10702(b) (relating to authority for carriers to establish rates, classifications, rules, and practices) is amended by inserting "or a motor contract carrier of property," after "A contract carrier".

(b) **PROHIBITION OF TRANSPORTATION WITHOUT TARIFF.**—Section 10761(a) (relating to transportation prohibited without tariff) is amended—

(1) by inserting "(excluding a motor common carrier providing transportation of property, other than household goods, under an individually determined rate, classification, rule, or practice, as defined in section 10102(13), or in noncontiguous domestic trade)" after "chapter 105 of this title", and

(2) by striking out "That carrier" in the second sentence and inserting "A carrier subject to this subsection".

(3) by inserting before the period at the end of the first sentence the following: ", except that a motor carrier of property the application of whose rates is determined or governed by a tariff on file with the Commission cannot collect its rates unless the carrier is a participant in those tariffs", and

(4) by inserting before the period at the end of the second sentence the following: ", except that a motor carrier of property the application of whose rates are determined or governed by a tariff on file with the Commission shall issue a power of attorney to the tariff publishing agent of such tariff and, upon its acceptance, the agent shall issue a notice to the participating carrier certifying its continuing participation in such tariff, which certification shall be kept open for public inspection".

(c) **GENERAL TARIFF REQUIREMENT.**—Section 10762(a) (relating to general tariff requirement) is amended—

(1) by inserting "(excluding a motor common carrier providing transportation of property, other than household goods, under an individually determined rate, classification, rule, or practice, as defined in section 10102(13), or in noncontiguous domestic trade)" after "A motor common carrier" in the second sentence of paragraph (1),

(2) by inserting "(excluding a motor common carrier providing transportation of property,

other than household goods, under an individually determined rate, classification, rule, or practice, as defined in section 10102(13), or in noncontiguous domestic trade)" after "carriers" in the third sentence of paragraph (1).

(3) by striking the last sentence of paragraph (1) and inserting the following: "A motor contract carrier of property is not required to publish or file actual or minimum rates under this subtitle. Except as provided in the Negotiated Rates Act of 1993 and the amendments made by that Act, nothing in the Trucking Industry Regulatory Reform Act of 1994 (and the amendments made by that Act) creates any obligation for a shipper based solely on a rate that was on file with the Commission or elsewhere on the date of enactment of such Act.", and

(4) by adding at the end the following:

"(3) A motor common carrier of property (other than a motor common carrier providing transportation of household goods or in non-contiguous domestic trade) shall provide to the shipper, on request of the shipper, a written or electronic copy of the rate, classification, rules, and practices, upon which any rate agreed to between the shipper and carrier may have been based. When the applicability or reasonableness of the rates and related provisions billed by a motor common carrier is challenged by the person paying the freight charges, the Commission shall determine whether such rates and provisions are reasonable or applicable based on the record before it. In those cases where a motor common carrier (other than a motor common carrier providing transportation of household goods or in noncontiguous domestic trade) seeks to collect charges in addition to those billed and collected which are contested by the payor, the carrier may request that the Commission determine whether any additional charges over those billed and collected must be paid. A carrier must issue any bill for charges in addition to those originally billed within 180 days of the original bill in order to have the right to collect such charges.

"(4) If a shipper seeks to contest the charges originally billed, the shipper may request that the Commission determine whether the charges originally billed must be paid. A shipper must contest the original bill within 180 days in order to have the right to contest such charges.

"(5) Any tariff on file with the Commission on the date of enactment of the Trucking Industry Regulatory Reform Act of 1994 not required to be filed with the Commission after the enactment of that Act is null and void beginning on that date.".

### (d) **PROPOSED RATE CHANGES.**—

(1) **COMMON CARRIERS.**—Section 10762(c)(1) (relating to proposed rate changes) is amended by inserting "(excluding a motor common carrier providing transportation of property other than household goods, under an individually determined rate, classification, rule, or practice defined in section 10102(13), or in a noncontiguous domestic trade)" after "common carrier".

(2) **CONTRACT CARRIERS.**—Section 10762(c)(2) (relating to proposed rate changes) is amended by inserting "(except a motor contract carrier of property)" after "contract carrier".

(e) **EFFECT ON NEGOTIATED RATES ACT.**—Section 10762 (relating to general tariff requirements) is amended by adding at the end thereof the following new subsection:

"(f) Nothing in this section shall affect the application of the provisions of the Negotiated Rates Act of 1993 (or the amendments made by that Act) to undercharge claims for transportation provided prior to the date of enactment of the Trucking Industry Regulatory Reform Act of 1994.".

(f) **DEFINITION.**—Section 10102 (relating to definitions) is amended—

(1) by redesignating paragraphs (13) through (31) as (14) through (32), and

(2) by inserting after paragraph (12) the following:

"(13) 'individually determined rate, classification, rule, or practice' means a rate, classification, rule, or practice established by—

"(A) a single motor common carrier for application to transportation that it can provide over its line; or

"(B) 2 or more interlining carriers without participation in an organization established or continued under an agreement approved under section 10706(b) for application to transportation that the interlining carriers can provide jointly over their lines."

#### SEC. 207. MOTOR COMMON CARRIER LICENSING.

(a) IN GENERAL.—Section 10922 (relating to certification of motor and water carriers) is amended—

(1) by redesignating subsections (b) through (l) as (c) through (m), respectively, and by inserting after subsection (a) the following new subsection:

"(b)(1) Except as provided in this section, the Commission shall issue a certificate to a person authorizing that person to provide transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of property if the Commission finds that the person is able to comply with—

"(A) this subtitle, the regulations of the Commission, and any safety requirements imposed by the Commission,

"(B) the safety fitness requirements established by the Secretary of Transportation in consultation with the Commission under section 31144 of this title, and

"(C) the minimum financial responsibility requirements established by the Commission pursuant to section 10927 of this title.

"(2) In making a finding under paragraph (1), the Commission shall consider and, to the extent applicable, make findings on, any evidence demonstrating that the applicant is unable to comply with the requirements of subparagraph (A), (B), or (C) of that paragraph.

"(3) The Commission shall find any applicant for authority to operate as a motor carrier under this section to be unfit if the applicant does not meet the safety and safety fitness requirements under paragraph (1)(A) or (1)(B) of this subsection and shall deny the application.

"(4) A person may protest an application under this subsection to provide transportation only on the ground that the applicant fails or will fail to comply with this subtitle, the regulations of the Commission, the safety requirements of the Commission, or the safety fitness or minimum financial responsibility requirements of paragraph (1) of this subsection."

(b) PUBLIC CONVENIENCE AND NECESSITY.—Section 10922(c) (relating to public convenience and necessity) as redesignated by subsection (a), is amended—

(1) by striking "carrier of property" in paragraph (1) and inserting "carrier of household goods";

(2) by striking paragraphs (4) and (6) and redesignating paragraphs (5), (7), (8), and (9) as (4), (5), (6), and (7), respectively,

(3) by striking "carrier having authority under paragraph (4)(D) of this subsection" in paragraph (4) (as redesignated) and inserting "motor carrier providing transportation of shipments weighing 100 pounds or less transported in a motor vehicle in which no one package exceeds 100 pounds";

(4) by striking "of property" in paragraph (5) (as redesignated) and inserting "of household goods";

(5) by striking "of property" in paragraph (6) (as redesignated) and inserting "of household goods"; and

(6) by striking "Notwithstanding the provisions of paragraph (4) of this subsection, the

provisions" in paragraph (7) (as redesignated) and inserting "The provisions".

(c) CERTIFICATE SPECIFICATIONS.—Section 10922(f)(1) (relating to specifications for certificate), as redesignated by subsection (a) of this section, is amended by inserting "of household goods or passengers" after "motor common carrier".

(d) PUBLIC CONVENIENCE AND NECESSITY.—Section 10922(h)(1) (relating to public convenience and necessity), as redesignated by subsection (a) of this section, is amended by inserting "of household goods or passengers" after "motor common carrier".

#### SEC. 208. MOTOR CONTRACT CARRIER LICENSING.

(a) AUTHORITY TO ISSUE PERMITS.—Section 10923(a) (relating to authority to issue permits) is amended by inserting "of household goods or passengers" after "motor contract carrier".

(b) MOTOR CONTRACT CARRIER PERMITS.—Section 10923 (relating to permits of motor and water contract carriers and household goods freight forwarders) is amended by redesignating subsections (b) through (e) as (c) through (f), respectively, and by inserting after subsection (a) the following new subsection:

"(b)(1) Except as provided in this section and section 10930 of this title, the Commission shall issue a permit to a person authorizing the person to provide transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor contract carrier of property other than household goods if the Commission finds that the person is able to comply with—

"(A) this subtitle, the regulations of the Commission, and any safety requirements imposed by the Commission,

"(B) the safety fitness requirements established by the Secretary of Transportation in consultation with the Commission pursuant to section 31144 of this title, and

"(C) the minimum financial responsibility requirements established by the Commission pursuant to section 10927 of this title.

"(2) In deciding whether to approve the application of a person for a permit as a motor contract carrier of property other than household goods the Commission shall consider any evidence demonstrating that the applicant is unable to comply with this subtitle, the regulations of the Commission, safety requirements of the Commission, or the safety fitness and minimum financial responsibility requirements of subsection (b)(1).

"(3) The Commission shall find any applicant for authority to operate as a motor carrier of property other than household goods under this subsection to be unfit if the applicant does not meet the safety and safety fitness requirements of paragraph (1)(A) or (1)(B) of this subsection and shall deny the application.

"(4) A person may protest an application under this subsection to provide transportation only on the ground that the applicant fails or will fail to comply with this subtitle, the regulations of the Commission, safety requirements of the Commission, or the safety fitness or minimum financial responsibility requirements of paragraph (1).".

(c) APPLICATION FILING REQUIREMENTS.—Section 10923(c) (relating to application filing requirements), as redesignated by subsection (b) of this section, is amended—

(1) by striking "motor contract carrier of property" in paragraphs (3) and (4) and inserting "motor contract carrier of household goods";

(2) by striking paragraph (5) and redesignating paragraphs (6) and (7) as (5) and (6), respectively, and

(3) by striking "motor contract carriers of property" in paragraph (5) (as redesignated)

and inserting "motor contract carriers of household goods".

(d) CONDITIONS OF TRANSPORTATION OR SERVICE.—Section 10923(e) (relating to conditions of transportation or service), as redesignated by subsection (b) of this section, is amended—

(1) by inserting "of passengers or household goods" after "contract carrier" in paragraph (1), and

(2) by striking "each person or class of persons (and, in the case of a motor contract carrier of passengers, the number of persons)" in paragraph (2) and inserting "in the case of a motor contract carrier of passengers, the number of persons,".

#### SEC. 209. REVOCATION OF MOTOR CARRIER AUTHORITY.

Section 10925(d)(1) (relating to effective period of certificates, permits, and licenses) is amended—

(1) by striking "if a motor carrier or broker" in subparagraph (A) and inserting "if a motor carrier of passengers, motor common carrier of household goods, or broker";

(2) by striking "and" at the end of subparagraph (A),

(3) by redesignating subparagraph (B) as (D) and inserting after subparagraph (A) the following new subparagraphs:

"(B) if a motor contract carrier of property, for failure to comply with safety requirements of the Commission or the safety fitness requirements pursuant to section 10701, 10924(e), 10927 (b) or (d), or 31144, of this title;

"(C) if a motor common carrier of property other than household goods, for failure to comply with safety requirements of the Commission or the safety fitness requirements pursuant to section 10701, 10702, 10924(e), 10927 (b) or (d), or 31144 of this title; and"

#### SEC. 210. STUDY OF INTERSTATE COMMERCE COMMISSION FUNCTIONS.

(a) INTERSTATE COMMERCE COMMISSION REPORT.—The Interstate Commerce Commission shall prepare and submit to the Secretary of Transportation and to each committee of the Congress having jurisdiction over legislation affecting the Commission a report identifying and analyzing all regulatory responsibilities of the Commission. The Commission shall make recommendations concerning specific statutory and regulatory functions of the Commission that could be eliminated or restructured. The Commission shall submit the report within 60 days after the date of enactment of this Act.

(b) SECRETARY OF TRANSPORTATION STUDY.—The Secretary of Transportation shall study the feasibility and efficiency of merging the Interstate Commerce Commission into the Department of Transportation as an independent agency, combining it with other Federal agencies, retaining the Interstate Commerce Commission in its present form, eliminating the agency and transferring all or some of its functions to the Department of Transportation or other Federal agencies, and other organizational changes that lead to government, transportation, or public interest efficiencies. The study shall consider the cost savings that might be achieved, the efficient allocation of resources, the elimination of unnecessary functions, and responsibility for regulatory functions. The Secretary shall solicit comments from the public with respect to both the Department's and the Commission's findings. The Secretary shall submit the results of such study together with any recommendations to the Congress within 4 months after the date of the submission of the Interstate Commerce Commission report required in subsection (a).

#### SEC. 211. LIMITATION ON STATE REGULATION OF INTRASTATE TRANSPORTATION OF PASSENGERS BY BUSES.

(a) IN GENERAL.—Chapter 109 (relating to licensing) is amended by adding at the end thereof the following new section:

**"§10936. Limitation on State regulation of intrastate passengers by bus"**

"A State or political subdivision of a State may not enforce any law or regulation relating to intrastate fares for the transportation of passengers by bus by an interstate motor carrier of passengers over a route authorized by the Commission."

**(b) CONFORMING AMENDMENTS.—**

(1) Section 10521(b)(1) is amended by inserting "10936," after "10935,"

(2) Section 11501(e) is amended—

(A) by striking all but paragraph (5),

(B) by redesignating paragraph (5) as subsection (e), and

(C) by striking "paragraph" and inserting "subsection".

(3) The table of sections for subchapter IV of chapter 109 is amended by adding at the end the following new item:

"10936. Limitation on State regulation of intrastate passengers by bus."

**SEC. 212. EFFECTIVE DATE.**

This title and the amendments made by this title shall take effect upon the enactment of this Act, except for sections 207 and 208, which shall take effect on January 1, 1995.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MINETA] will be recognized for 20 minutes, and the gentleman from Wisconsin [Mr. PETRI] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2178, the Hazardous Materials Transportation Authorization Act of 1994.

I want to thank my colleagues who have worked diligently to pass this important piece of legislation. The Chair and ranking minority members of the Subcommittee on Surface Transportation, Congressmen RAHALL and PETRI, who worked diligently with the Senate to craft the compromise legislation which is before us today. I would also like to recognize the ranking member of the full committee, Congressman SHUSTER, for his support of this legislation as well.

Also, I would like to extend my thanks to Congressmen SWIFT and OXLEY, chairman and ranking member of the Subcommittee on Transportation and Hazardous Materials of the Energy and Commerce Committee and Chairman DINGELL and ranking member Congressman MOORHEAD of the full Committee on Energy and Commerce, the committee with which we share jurisdiction over the transportation of hazardous materials.

Last, I would like to thank my Senate colleagues, the Chair and ranking member of the Senate Committee on Commerce, Science, and Transportation, Senators HOLLINGS and DANFORTH, and the Chair and ranking member of the Surface Transportation Subcommittee, Senators EXON and HUTCHINSON, who labored long and hard to not only resolve the issues in the hazardous materials legislation, but

also to include, in title II, comprehensive regulatory reform for the interstate motor carrier industry.

Mr. Speaker, H.R. 2178 provides authorization levels for carrying out the Hazardous Materials Transportation Act through 1997. It further provides more funding for training of public and private sector employees; for making Indian tribes eligible for emergency planning grants; for ensuring that the National Intelligent Vehicle-Highway System Program addresses the use of its technologies to promote hazardous materials transportation safety; permits the Secretary of Transportation to waive registration and fee requirements for foreign shippers from countries that do not impose such registration and fee requirements for U.S. shippers; and provides for several studies and rulemakings to enhance public safety.

Title II of H.R. 2178 contains the Trucking Industry Regulatory Reform Act of 1994 which provides for improving surface transportation efficiency and saving taxpayer dollars, while continuing to protect the public interest and preserving transportation safety.

This legislation is part of a major effort by this Congress to reduce economic regulation in the trucking industry, to increase reliance on competition in the marketplace, and to reduce the size and role of the Government bureaucracy.

This is the third step in a process which began with the Negotiated Rates Act late last year, a bill that untangled a regulatory mess that burdened shippers all over America.

The Congress took the second step last Monday with the passage of the Aviation Conference Report when it preempted State regulation of price, routes, and services of motor carriers, air carriers and carriers affiliated with direct air carriers through common controlling ownership when transporting property in intrastate commerce.

Today we are eliminating the obligation to file rates for individual carriers operating in interstate commerce; limiting entry requirements to safety matters and insurance; providing the Interstate Commerce Commission [ICC] with exemption authority for trucking matters under its jurisdiction; requiring the Secretary of Transportation to study and report to Congress future organizational options for the ICC with recommendations for further operational and regulatory efficiencies; and preempting intrastate bus rates for interstate carriers.

These three bills, taken together, constitute the largest regulatory reform in the motor carrier industry since the Motor Carrier Act of 1980.

We will have accomplished not just regulatory reduction, but also agency reduction as a result of cutting back the ICC's interstate regulatory functions with regard to motor carriers.

This action should allow for the total size of the ICC to be reduced by one-third.

American industry will benefit both from the lower costs of a reduced regulatory burden and from the increased efficiencies of a more marketplace-driven transportation industry.

For the benefit of my colleagues, I have attached a section-by-section of H.R. 2178 to my statement for inclusion in the RECORD.

I now urge my colleagues to join with me in passage of H.R. 2178.

**TITLE I—HAZARDOUS MATERIALS  
TRANSPORTATION AUTHORIZATION ACT OF 1994**

**SECTION BY SECTION ANALYSIS**

**SECTION 101—SHORT TITLE**

Section 101 provides the short title of the Act.

**SECTION 102—AMENDMENT OF TITLE 49, UNITED STATES CODE**

Section 102 provides that unless otherwise expressly provided, all amendments in this title shall be considered to be made to Title 49, U.S.C.

**SECTION 103—AUTHORIZATION OF  
APPROPRIATION**

Section 103 amends Section 5127(a) of Title 51, U.S.C. to make appropriations for fiscal years 1994 through fiscal year 1997. The figures are \$18 million for fiscal year 1994, \$18.54 million for fiscal year 1995, \$19.1 million for fiscal year 1996, and \$19.67 million for fiscal year 1997.

**SECTION 104—EXEMPTIONS FROM REQUIREMENT  
TO FILE REGISTRATION STATEMENT**

Section 104 amends Section 5108(a) of Title 51, U.S.C. to allow the Secretary to waive registration and fee requirements for foreign shippers who are shipping hazardous materials to the U.S. in international traffic only where the country of such shipper does not impose registration and fee requirements on U.S. shippers. Foreign carriers operating in the United States are not covered by the waiver provision.

**SECTION 105—PLANNING GRANTS FOR INDIAN  
TRIBES**

Subsections (a) and (b) make amendments to Section 5116(a)(1) and (a)(2) of Title 51, U.S.C. to permit Indian tribes to be eligible for emergency planning conducted by adjacent States and Indian tribes.

**SECTION 106—TRAINING CRITERIA FOR SAFE  
HANDLING AND TRANSPORTATION**

Section 106 makes technical amendments to Section 5107(d) of Title 51, U.S.C. to clarify the scope of training criteria by mandating that the Department of Transportation ensure that its requirements for employee training in understanding hazards associated with hazardous materials shipments, as well as hazardous waste operations are coordinated with, and do not conflict with or duplicate other training requirements.

**SECTION 107—DISCLOSURE OF FEES LEVIED BY  
STATES, POLITICAL SUBDIVISIONS, AND INDIAN  
TRIBES**

Section 107 amends Section 5125(g) of Title 51, U.S.C. by permitting the Department of Transportation to require State and local jurisdictions and Indian tribes to justify fees imposed in connection with hazardous materials transportation; including the basis on which the fee is levied, the purpose for which revenues from the fee are used, the annual total amount of revenues collected from the fee and other matters as the Secretary requests.

## SECTION 108—ANNUAL REPORT

Section 108 amends Section 5121(e) of Title 51, U.S.C. by striking the word "annual" in the subsection heading and amending the section to require the Department of Transportation to submit a comprehensive report regarding hazardous materials transportation once every two years, in lieu of once a year, to the President for transmittal to Congress.

## SECTION 109—INTELLIGENT VEHICLE-HIGHWAY SYSTEMS

Section 109 amends the Intelligent Vehicle-Highway System Act in order to assure that the Secretary of Transportation ensures that the National Intelligent Vehicle-Highway System Program addresses the use of its terminologies to promote hazardous materials transportation safety. This section requires that at least two or more operational tests be made to provide information to persons who provide emergency response to hazardous materials transportation incidents.

The factors for making the grants are set forth in subsection (b), but they are designed to demonstrate the feasibility of establishing and operating a computerized telecommunications emergency response information technology. Any project must include at least two motor carriers of property. One should be a motor carrier that transports hazardous materials and the other must be a regular-route common carrier that specializes in transporting less-than-truckload shipments. The motor carriers selected may be engaged in multimodal movements.

The Secretary to the maximum possible should coordinate this project with any existing Federal, State, local government and private projects which are similar and the Secretary may require that it be carried out in conjunction with such projects.

## SECTION 110—RAIL TANK CAR SAFETY

Section 110 requires the Department of Transportation to issue final regulations, within one year of the date of enactment of this legislation, on two ongoing DOT rulemaking proceedings: (1) "Crashworthiness Protection Requirements for Tank Cars" (Docket HM-175A); and (2) "Detection and Repair of Cracks, Pits, Corrosion, Lining Flaws, Thermal Protection Flaws and Other Defects of Tank Car Tanks" (Docket HM-201).

## SECTION 111—SAFE PLACEMENT OF TRAIN CARS

Section 111 mandates that the Secretary of Transportation conduct a study of current practices regarding the placement of rail cars on trains, with particular attention to the placement of rail cars, including tank cars, transporting hazardous materials. The study is to focus on whether placement practices (for example, placing heavy cars containing hazardous materials behind lighter weight or empty cars) increase the risk of adverse safety incidents such as derailments, tank ruptures, or hazardous materials spills.

## SECTION 112—GRADE CROSSING SAFETY

Section 112 requires the Secretary of Transportation, within six months of the date of enactment of this legislation, to amend regulations issued under chapter 51 and chapter 315 of Title 49, U.S.C. to prohibit the driver of a motor vehicle transporting hazardous materials in commerce from driving the motor vehicle onto a highway-railroad crossing without having sufficient space to drive completely through the crossing without stopping.

## SECTION 113—DRIVER'S RECORD OF DUTY STATUS

Subsection 113(a) requires the Secretary of Transportation to issue regulations amend-

ing 49 C.F.R. 395, to improve compliance by commercial motor vehicle drivers and motor carriers with ours of service requirements and the effectiveness and efficiency of Federal and State enforcement officers reviewing such compliance. The regulations must be proposed not later than 12 months after enactment and shall be final not later than 18 months after enactment.

Subsection 113(b) lists items required to be included in the regulations.

Subsection 113(c) defines, for purposes of this section, what constitutes a supporting document.

## SECTION 114—SAFETY PERFORMANCE HISTORY OF NEW DRIVERS

This section requires the Secretary, within 18 months after the date of enactment of this regulation, to amend 49 C.F.R. 391.23 to specify the minimum safety information that a motor carrier must request regarding a driver; require that such information be requested of the driver's former employers (defined as any person who employed the driver during the preceding 3-year period); mandate that these former employers respond to such inquiries within 30 days after receiving the request; and ensure that the driver has reasonable opportunity to review and comment on the information collected.

The safety information required includes: (1) any motor vehicle accidents within the preceding 3-year period involving the driver; (2) any failure of the driver, during the preceding 3-year period, to complete a rehabilitation program prescribed by the Commercial Motor Vehicle Safety Act of 1986, after being found to violate Federal alcohol or controlled substance laws or regulations; (3) any illegal use by the driver of alcohol or a controlled substance subsequent to completing such a rehabilitation program; and (4) any other matters determined by the Secretary to be relevant to a driver's safety performance.

## SECTION 115—RETENTION OF SHIPPING PAPERS

Section 115 amends Section 5110 of Title 51, U.S.C. by adding a new paragraph requiring that the person providing the shipping paper for hazmat shipment, and the carrier transporting that shipment, retain such shipping paper at their respective places of business even after the shipment has been delivered. Such a person or carrier, upon request, must make the shipping paper available to a Federal, State or local government at reasonable times and locations.

## SECTION 116—TOLL FREE NUMBER FOR REPORTING

Section 116 is a free standing provision that requires the Secretary to provide a toll free telephone number for transporters of hazardous materials and others to report to the Secretary any possible violations of the Hazardous Materials Transportation Act (HMTA) or any order or regulation issued under the Act.

## SECTION 117—TECHNICAL CORRECTIONS

Section 117 makes certain technical corrections to the HMTA. The technical correction deals with the word "packaging."

## SECTION 118—HOURS OF SERVICE RULEMAKING FOR FARMERS AND RETAIL FARM SUPPLIERS

Section 118 requires the Secretary to initiate a rulemaking proceeding in order to determine whether the requirements of the hours-of-service provision contained in 49 C.F.R. 395.3 may be waived for farmers and retail farm suppliers within a 50-mile radius of their distribution point or farm.

## SECTION 119—TRAINING

Section 119 amends Section 5116 of Title 51, U.S.C. by creating a new subsection (j) to

provide authority to the Secretary of Transportation to make grants directly to national nonprofit employee organizations engaged solely in fighting fires for the purpose of training individuals with statutory responsibility to respond to hazardous materials accidents and incidents, subject to certain conditions included in the legislation on the use of the funds and to any other terms and conditions as the Secretary determines are necessary.

Section 5116 is further amended to create a new subsection (k) which directs the Secretary to submit a report to Congress on the allocation and uses of funds distributed under the training grant programs authorized in subsections (a) and (c) and existing training grant programs. The report is to cover existing grant programs and grants made pursuant to subsections (a) and (c) in fiscal years 1995 and 1996. This report shall identify the ultimate recipients of training grants and include a detailed accounting of all grant expenditures of such recipients. The report shall also identify the numbers of employees trained under the grant programs and an evaluation of the effectiveness of the training programs carried out with such funds.

Subsection (b) amends Section 5127(b) of Title 51, U.S.C. relating to applications for hazmat employee training and authorizes the Secretary to fund these training grants in fiscal years 1995, 1996, 1997 and 1998 annually in the amounts of \$250,000 from registration fees, and \$1 million from general revenues, subject to appropriations.

Subsection (c) amends Section 5127(e) of Title 51, U.S.C. to authorize an expanded training grant program under which the Secretary would make grants to nonprofit hazmat employee organizations for the purpose of training all employees engaged in the loading, unloading, handling, storage and transportation of hazardous materials and emergency response.

Subsection (c) also amends Section 5107 of Title 51, U.S.C. to add a new subsection (g) which requires that no grant under subsection (e) shall supplant or replace existing employer provided hazardous materials training efforts or obligations.

Subsection 5127(b) of Title 51, U.S.C. is further amended to provide an additional authorization for funding the training grants in subsection 5127(e) in fiscal years 1995, 1996, 1997 and 1998 at \$3 million annually from general revenues, subject to appropriations.

## SECTION 120—TIME FOR SECRETARIAL ACTION

Section 120 amends Section 5117 of Title 51, U.S.C. to require the Secretary to issue, renew, or deny an application for exemption from regulations within 180 days or publish in the Federal Register the reason why the Secretary's decision was delayed.

Subsection (d) is amended by inserting a requirement that the Secretary shall issue a decision on an application within 180 days after the date of publication of the notice of having received such application, or why the decision was delayed in the Federal Register.

## SECTION 121—STUDY OF HAZARDOUS MATERIALS TRANSPORTATION BY MOTOR CARRIERS NEAR FEDERAL PRISONS

Section 121 directs the Secretary of Transportation to conduct a study regarding the safety considerations of transporting hazardous wastes in close proximity to Federal prisons, particularly those housing maximum security prisoners. The Committee intends for the study to focus on the transportation of hazardous wastes over roads and highways.

Subsection (a) directs that the study focus on the particular safety concerns raised by any need to evacuate a captive population, particularly maximum security prisoner, in the event of an incident or accident involving the transportation of hazardous wastes. The study would also examine the ability of local emergency planning agencies to meet any potential exigencies.

Subsection (b) requires that the Secretary report the findings, together with any recommendations for legislative or regulatory change, within one year.

#### SECTION 122—USE OF FIBER DRUM PACKAGING

Section 122(a) directs the Secretary of Transportation, no later than 60 days after enactment, to initiate a rulemaking to determine whether the requirements of section 5103(b) of Title 51, U.S.C. may be met for openhead fibre drum packaging (with respect to the transportation of liquid hazardous materials in such drums) by any other standards other than the performance-oriented packaging standards adopted under docket number HM-181 contained in 49 C.F.R. 178.

Subsection (b) directs that if the Secretary determines that any other standard provides an equal to or greater level of safety than the level provided by the HM-181 standards, then the Secretary shall issue regulations implementing such other standard on or before October 1, 1996.

Section (c) directs that the rulemaking undertaken pursuant to this section be completed no later than October 1, 1995.

Section (d) limits the applicability of this section

#### SECTION 123—BUY AMERICAN

Section 123 directs compliance with the "Buy American Act," 41 U.S.C. Sections 10a-10c.

#### TITLE II—THE TRUCKING INDUSTRY REGULATORY REFORM ACT OF 1994

##### SECTION 201—SHORT TITLE

Section 201 states the short title of the Act.

##### SECTION 202—AMENDMENT OF TITLE 49, UNITED STATES CODE

Section 202 states that unless provided otherwise, all amendments will be to title 49 of the U.S.C.

##### SECTION 203—PURPOSE

Section 203 provides that the purpose of the bill is to enhance competition, safety and efficiency in the motor carrier industry and to enhance efficiency in government.

##### SECTION 204—TRANSPORTATION POLICY

Section 204 provides a new section to the transportation policy.

##### SECTION 205—EXEMPTIONS

Section 205 amends section 10505 of Title 49 U.S.C. with respect to exemptions. Two general exemptions are provided for this section; namely, motor carriers providing transportation of household goods or in noncontiguous domestic trade. That means these two groups are not subject to the provisions.

It then makes specific exemptions for types of transportation not subject to the Act. It exempts 10706 (rate bureaus), 10761 (transportation without a tariff as amended by this Act), 10762 (tariff filing as amended by the Act), 10927 (Security of motor carriers), and 11707 (Liability of common carriers under receipts and bills of lading). It also exempts a number of provisions from application of this Act.

Subsection (b) defines non-contiguous domestic trade.

##### SECTION 206—TARIFF FILINGS

Section 206 amends three sections Title 49, U.S.C. They are 10702(b), 10761, and 10762(a).

The first provision amends Section 10702(b) of the Act which specifies authority for carriers to establish rates, classifications, rules, and practices. It eliminates motor contract carriers of property from the provision, thus, they are no longer required to file actual or minimum rates.

Section 206(b) amends 10761 as it applies to transportation prohibited without tariff. First, it amends the section to provide that motor common carriers providing transportation of property, other than household goods or those in non-contiguous trade, under an individually determined rate are eliminated from the requirements of this section.

In paragraphs (3) and (4) the law now provides that carriers cannot collect a rate determined by a tariff unless it is a participant in the tariff. This sustains a decision of the Supreme Court which stated that carriers not signing a power of attorney for participation in a rate could not enforce the rate.

Section (c) amends Section 10762(a) relating to general tariff requirements. In new paragraph (1) it excludes from the general requirement common carriers providing traffic under an individually determined rate which is a defined term in subsection (f). It also states that motor contract carriers are no longer required to file their rates. However, the amendments made in the Negotiated Rates Act still apply; i.e. carriers must keep copies of signed agreements.

New paragraph (3) makes certain changes with respect to individually determined rates.

First, it provides that a carriers shall provide to the shipper, upon request, a written or electronic copy of the rate classification, rules, and practices upon which the rate agreed to between the shipper and carrier may have been based. When the applicability of reasonableness of a rate is challenged by the person paying the freight charge, the Commission shall make a decision on whether the rates are reasonable and applicable based on the record before it.

Paragraph (4) is intended to modify the second sentence of paragraph (3) to ensure that all shipper rate challenges are brought within the 180 days statute of limitations which governs rate disputes.

In those cases where a motor common carrier seeks to collect charges in addition to those billed and collected which are contested by the payer, the carrier may request action by the Commission on this issue. The carrier must issue a bill for charges within 180 days if he is going to collect the charges. The same procedure applies to a shipper who seeks to contest charges.

New paragraph (5) provides that the old charges on file at the I.C.C., which are not required to be filed under this Act, are null and void. The key date is the date of enactment of this bill.

Subsection (d)(1) amends Section 10762(c)(1) of Title 49, U.S.C. to exclude motor common carriers from filing changes in their rates, if the rate change is covered by the definition of individually determined rate as set forth in Section 10102(13).

The rates for household goods and transportation of property in a non-contiguous domestic trade must continue to be filed.

Subsection (d)(2) amends Section 10762(c)(2) of Title 49, U.S.C. relating to proposed rate changes to exclude motor contract carriers providing transportation of property from the requirement to publish, file and keep open for public inspection any notice to establish a new or reduced rate or change in a rule or practice related to such rate.

Subsection (e) amends Section 10762 of Title 49, U.S.C. by adding at the end a new subsection (j). New subsection (j) provides that nothing in this section affects the application of the provisions in the Negotiated Rates Act of 1993 for claims arising from undercharges for transportation provided prior to the date of enactment of this Act.

Subsection (f) amends Section 10102 of Title 49, U.S.C. relating to definitions by redesignating paragraphs (13) through (31) as (14) through (32) and inserting a new paragraph (13) that provides a definition of "individually determined rate, classification, rule, or practice" to mean those established by (A) a single motor carrier for transportation over its line; or (B) a rate, classification, rule of practice for two or more interlining carriers for transportation they jointly provide over their lines.

#### SECTION 207—MOTOR COMMON CARRIER LICENSING

Subsection 207(a) requires applicants for new or expanded motor common carrier operating authority to transport property other than household goods to make three identified showings. First, that the applicant is able to comply with all statutory, regulatory and ICC imposed safety requirements. Second, that the applicant is able to demonstrate safety fitness under standards developed by the DOT in consultation with the ICC pursuant to Section 31144 of Title 49, U.S.C. Third, that the applicant is able to provide adequate liability insurance or provisions for self-insurance under the financial responsibility provisions of Section 10927 of Title 49, U.S.C.

Subsection (b) frees applicants for authority to operate as a motor common carrier of property (other than a carrier of household goods) from the currently required showing that the proposed service will serve a useful public purpose, responsive to a public demand or need.

New paragraph (b)(1)(A) refers to the regulations of the ICC and safety requirements imposed by the ICC. These include, for example, policy statements and procedures for the submission and evaluation of safety fitness evidence in licensing and finance cases, such as *Rules Governing Applications for Operating Authority*, 5 I.C.C. 2d 94 (1988), *Transfer Rules*, 4 I.C.C. 2d 382 (1988); and *Pur., Merger, and Cont.-Motor Passenger and Water Carriers (Passenger Finance Rules)*, 5 I.C.C. 2d 786 (1989).

New paragraph (b)(1)(B) refers to the safety fitness requirements established by DOT, specifically citing the underlying statutory authorization. This citation emphasizes the ICC's reliance upon the procedure established by DOT for the safety fitness requirements against which applicants are to be evaluated. Section 215 of the Motor Carrier Safety Act of 1984 (49 App. U.S.C. 2512) directed DOT, in consultation with the ICC to develop a procedure (now at 49 CFR Part 385) "to determine the safety fitness of owners and operators of commercial motor vehicles, including persons seeking new or additional operating authority as motor carriers under Section 10922 and 10923 of title 49, United States Code." 49 U.S.C. App. 2512.

New paragraph (b)(1)(C) refers to the ICC's minimum financial responsibility requirements pursuant to Section 10927 of Title 49, U.S.C.

New paragraph (b)(2) requires the ICC to consider and make findings on any evidence relating to these enumerated standards for granting operating authority.

New paragraph (b)(3) directs the ICC to deny operating authority to any carrier

which does not meet these enumerated standards.

New paragraph (b)(4) restricts the grounds under which a person may protest an application made for operating authority to the regulations of the ICC, safety fitness or minimum financial responsibility requirements set forth in new paragraph (b)(1).

Subsections (c) and (d) make conforming changes as a result of these amendments.

#### SECTION 208—MOTOR CONTRACT CARRIER LICENSING

Similar to Section 207, Section 208 codifies the ICC's current practice in granting operating authority, but with respect to motor contract carriers.

Section 208(a) requires, with respect to applicants for motor contract authority to carry property other than household goods, the same three showings required by Section 207(a) for applicants for new or expanded common carrier operating authority to carry property other than household goods.

New paragraph (b)(1)(A) refers to the regulations of the ICC and safety requirements of the ICC.

New paragraph (b)(1)(B) refers to the safety fitness requirements established by DOT.

New paragraph (b)(1)(C) refers to the ICC's minimum financial responsibility requirements pursuant to Section 10927 of Title 49, U.S.C.

New paragraph (b)(2) requires the ICC to consider and make findings on any evidence relating to these enumerated standards for granting operating authority.

New paragraph (b)(3) directs the ICC to deny operating authority to any carrier which does not meet these enumerated standards.

New paragraph (b)(4) restricts the grounds under which a person may protest an application made for operating authority to the regulations of the ICC, safety fitness or minimum financial responsibility requirements set forth in new paragraph (b)(1).

Subsection (c) makes conforming amendments to the ICC's application filing requirements for permits for motor contract carriers as a result of these amendments.

Subsection (d) makes conforming changes to the conditions the ICC may prescribe for issuing a permit to a motor contract carrier as a result of these amendments.

#### SECTION 209—REVOCATION OF MOTOR CARRIER AUTHORITY

Section 209 amends Section 10925 of Title 49, U.S.C. to clarify the ICC's authority to suspend a certificate granted under Section 10922 or a permit granted under Section 10923, in light of elimination of the tariff filing requirements for rates set independently by motor common carriers of property (other than carriers of household goods and goods in non-contiguous domestic trade) and for all motor contract carriers of property.

#### SECTION 210—STUDY OF INTERSTATE COMMERCE COMMISSION FUNCTIONS

Section 210 directs the preparation of a comprehensive review of all of the ICC's functions and a study of possible changes to the status of the ICC.

Subsection (a) directs the ICC to prepare and submit a report to the Secretary of Transportation and the Congress within 60 days from the date of enactment which identifies and analyzes all of its identified statutory and regulatory responsibilities. In this report, the ICC shall make recommendations as to which of its statutory and regulatory responsibilities could be eliminated or restricted.

Subsection (b) directs the Secretary of Transportation to study the feasibility and

efficiency of retaining the ICC in its present form, (i) merging the ICC into DOT as an independent agency, (ii) eliminating the ICC and transferring its functions to other Federal agencies, including DOT, or (iii) any other organizational change that may lead to governmental and transportation efficiencies. The Secretary shall report his findings to Congress within four months of the date of submission of the ICC report described in subsection (a).

#### SECTION 211—LIMITATION ON STATE REGULATION OF INTRASTATE TRANSPORTATION OF PASSENGERS BY BUS

Section 211 adds a new Section 10936 to the Interstate Commerce Act which preempts States from regulating fares of intrastate bus service for interstate carriers. Subsection (b) makes conforming changes to current provisions of law, and strikes current Section 11501(e)(1) through (4) and (6) and redesignates paragraph (5) as subsection (e), which prescribes the current procedure for state action on rate changes and appeal procedures.

#### SECTION 212—EFFECTIVE DATE

Section 212 provides that all of the provisions of this Act shall take effect on the date of enactment, except the motor carrier licensing provisions contained in Sections 207 and 208. These sections shall take effect on January 1, 1995, to permit carriers and the ICC sufficient time to adjust their operations to accommodate this change.

□ 1330

Mr. Speaker, I reserve the balance of my time.

Mr. PETRI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2178, as amended by the Senate, will provide for a 4-year reauthorization of the hazardous materials transportation program and initiate certain regulatory reforms in interstate trucking.

Regarding hazardous materials, the provisions before us are relatively simple and are similar to those in the authorization bill passed by the House last year. A few additional provisions have been added by the Senate.

Title II will accomplish significant interstate trucking regulatory reform. One of the last remaining vestiges of Federal regulation following passage of the 1989 Motor Carrier Act is the requirement that carriers must file all tariffs with the Interstate Commerce Commission and that shippers must pay only those rates which are on file with the ICC.

This bill will remove all filing requirements and the obligation to pay only the rate on file for individually determined rates—which account for about 90 percent of the more than 1 million annual tariff filings. Household goods, rate bureaus and a few others will continue rate filings.

The repeal of the tariff filing requirement will result in operating cost savings for the ICC and will remove a substantial paperwork burden for motor carriers.

In addition, other regulatory procedures are streamlined and State regulation of fares for intrastate bus pas-

senger travel on interstate routes is prohibited.

While I do not want to diminish the truly significant reforms in this bill, there is one area in which I am disappointed that we did not go further than the provisions in H.R. 2178. Section 210 of the bill mandates studies by the ICC and the Department of Transportation on further regulatory reform and on the long-term future of the Commission. When the House was considering the fiscal year 1995 Transportation appropriations bill earlier this summer, 234 Members of the House voted to eliminate all funding for the ICC.

There has been some debate since then as to the actual significance of that vote, but it seems to me that with 234 Members voting to cut off all funds for the Commission, we could be enacting something more than some open-ended studies which, undoubtedly, will lead to a repeat next year of the appropriations fight we experienced this year.

We do need to provide for an orderly transfer and it could take several years in order to do it right.

This bill could have started that process and I am disappointed that the study provisions were not strengthened to provide for a real reorganization and sunset at a specific time in the future. This is an issue we will have to continue to consider and struggle with in the months ahead. Nevertheless, we should not lose sight of the fact that major regulatory reforms are being made with passage of this bill.

Therefore, Mr. Speaker, I urge the House to approve H.R. 2178 today.

Mr. Speaker, I reserve the balance of my time.

Mr. MINETA. Mr. President, I yield such time as he may consume to a very distinguished friend and colleague, the gentleman from Michigan [Mr. DINGELL], chairman of the Committee on Energy and Commerce, with whom we have worked very closely on this and other matters.

Mr. DINGELL. Mr. Speaker, I thank the distinguished chairman of the Committee on Public Works and Transportation, Mr. MINETA. H.R. 2178 reauthorizes the Hazardous Materials Transportation Act and builds on the major work our two committees accomplished in the 1990 reauthorization.

I would like to focus my remarks on the effects of this legislation on the ICC. In June, the House voted to eliminate funding for the ICC. While I and others opposed the amendment to the appropriations bill, we have tried to move forward in a responsible and constructive manner to accomplish the will of the House.

Thanks to the work of the Public Works Committee, this bill eliminates certain motor carrier regulations of the ICC. Together with the appropriations bill now in conference, this bill

will result in permanent budget and personnel cuts at the ICC.

H.R. 2178 provides a responsible way to examine how to restructure the ICC. It requires the ICC and the Department of Transportation to report to Congress within 6 months of enactment on: all regulatory responsibilities of the ICC; specific statutory and regulatory functions that may be eliminated or restructured; the feasibility and efficiency of merging the ICC into the DOT as an independent agency; combining it with other Federal agencies; retaining the ICC in its present form; or eliminating the agency. These reports will consider the cost savings to be achieved, the efficient allocation of resources, the elimination of unnecessary functions, the public interest, and responsibility for regulatory functions.

In the railroad area, which is within the jurisdiction of the Committee on Energy and Commerce, the ICC performs many necessary public duties, and those duties are increasing. As the recent report by the Government Accounting Office [GAO] clearly indicates, the statutory functions of the ICC relating to rail issues are important to the public interest and to a sound national transportation policy. For example, the ICC has the authority to approve, disapprove, or modify all railroad mergers. Since the House vote to terminate the ICC, major railroad mergers have been announced and more are probable. These mergers could affect every rail carrier, thousands of railroad employees, and shippers and communities in almost every State in the country.

This legislation is the first of a two-step process. I pledge to continue to work closely with Mr. KASICH, Mr. MINETA, and members of our committees to craft further legislation in the near future that will preserve the essential rail regulation functions now carried out by the ICC while determining whether those functions should be carried out by a different agency.

It is no secret that I have been an outspoken critic of the Commission's actions from time to time. But my criticism of its decisions does not take away from my strong belief that we must maintain the ICC's independence and unbiased decisionmaking in an open forum, regardless of whether the functions performed by the ICC remain there or are moved elsewhere. Congress needs to examine the evidence in this matter to best serve the public interest. This legislation is a strong first step in carrying out the will of the House.

□ 1340

Mr. Speaker, I strongly urge my colleagues to support this legislation. I submit for the RECORD correspondence with the gentleman from Ohio [Mr. KASICH] on these matters.

The correspondence referred to is as follows:

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON ENERGY AND COMMERCE,  
Washington, DC, July 11, 1994.

Hon. JOHN R. KASICH,  
Member of Congress, Longworth House Office  
Building, Washington, DC.

DEAR JOHN: I am writing in response to your June 22 letter, written together with the co-sponsors of your amendments to the transportation appropriations bill to: (1) eliminate appropriations for the Interstate Commerce Commission (ICC) for fiscal year 1995, and (2) appropriate \$18 million for the Department of Transportation, primarily for severance pay to ICC employees.

Under Rule X of the House of Representatives, the Committee on Energy and Commerce has exclusive jurisdiction of railroads and rail labor and thus has jurisdiction of the ICC's rail functions. The Committee has exercised its legislative and oversight jurisdiction of the ICC's rail activities in numerous instances over the years.

While I have been an extremely vocal critic of the ICC's decisions from time to time, I do not share the view that the agency should be abolished or that its independent authority should be transferred to another entity. As the recent report by the General Accounting Office (GAO) clearly indicates, the statutory functions of the ICC relating to rail issues are important to the public interest, to sound national transportation policy, to railroads (including Amtrak) and their employees, and to shippers, communities, state and local governments, and other varied interests throughout the country. While the Staggers Act, which was considered and adopted by the Committee on Energy and Commerce after lengthy and careful consideration, deregulated many aspects of the rail industry, the law retained many important regulatory and adjudicatory functions of the ICC of rail transactions and activities. Summarily abolishing the agency that has sole authority to perform these essential functions—as the amendments adopted by the House would do—would be detrimental to numerous public and private interests and would violate public confidence in the manner in which governmental deliberations that affect a broad spectrum of interests are made.

Despite my personal views on the subject, I am certainly mindful of the results of the recent House proceedings. However, I am not clear as to what the votes really mean. During floor debate, proponents of the amendment clearly stated that some, if not all, of the ICC's statutory responsibilities are important and should be retained, notwithstanding the clear effect of the amendments. For example, you stated that, "[t]he only real activity that goes on in the Interstate Commerce Commission anymore essentially has to do with railroads . . . [comprising] about 37 percent of the operations." Later, you added that, "[W]e are going to be able to maintain the essential functions of this operation . . ." Mr. Condit went even further by stating: ". . . we are not going to weaken the regulations or the standards. We are not going to weaken those at all. Most of them have been eliminated, but the ones that have not been eliminated, that have not been eliminated (sic), will be carried out by the Department of Transportation."

These and other statements are at odds with the actual provisions adopted by the House in that they assume a transfer and preservation of some or all of the ICC's statutory responsibilities. As Rep. Oxley, the Ranking Republican of the Subcommittee on Transportation and Hazardous Materials,

stated: "If this amendment succeeds, only two results are assured: One, the immediate termination of many ICC employees, and, two, the effective impounding of any remaining ICC funds without DOT being able to use them. That is due to the fact that even if DOT has plenty of money in its account after this amendment, DOT still will not have any legal authority to spend those funds on ICC functions. Only an authorization statute can do that."

As Mr. Oxley concluded, ". . . this amendment produces no real economy—just organizational chaos."

Your letter states that the recent proceedings represent only the first step in a two-step process and that you are willing to be "partners" in fashioning "a reasoned and orderly transfer of the ICC's functions." I appreciate your candor in conceding that the amendments offered and adopted in the appropriations bill will not result in a reasoned and orderly transfer of the ICC's functions. As you know, the amendments would produce highly undesirable and wasteful results.

In view of the House votes and in order to avoid the adverse effects of allowing your amendments to be enacted, I am willing to do what I can to fashion legislation that would produce a reasoned and orderly transfer of the ICC's functions. However, I believe there are several considerations that must be taken into account prior to proceeding.

First, I will not acquiesce or participate in a process that involves legislating in an appropriations bill. If you insist on a strategy that violates the Rules of the House, I trust you will understand my unalterable opposition to any such approach.

Second, I cannot speak in any manner for the Public Works Committee regarding these matters. Any "reasoned and orderly" consideration of these issues under the Rules clearly requires agreement and action by our sister Committee respecting such ICC authorities that are within its jurisdiction.

Third, I do not support using such transfer legislation to effect substantive changes in railroad law or regulation. Any authorizing legislation to be considered should achieve any transfer of authority without diminishing the ability to perform current rail functions. I also believe that the independent nature of the ICC is extremely important and believe any transfer of authority to another entity should allow for continuation of processes that preserve such independence.

I believe that any reasoned and deliberative legislative approach to these issues in our Committee likely will require more time than is available during the remainder of this Congress. While I understand your desire to resolve these matters expeditiously, I cannot in good faith assure you that our Committee or Subcommittee, not to mention the Public Works Committee, the House, the Senate, and its Commerce Committee, will be able to consider and process appropriate legislation given other priorities during an election year. A possible approach to demonstrate my commitment to moving forward might be a written request to the ICC, the Department of Transportation, and the Office of Management and Budget (consistent with provisions of your bill, H.R. 3127) to report to the Committee within a reasonable period of time on how to accomplish any orderly transition. I suspect that continuation of the ICC's appropriation for another fiscal year would be necessary under this scenario, but if we are working together toward a common goal, I hope this will not pose any problem. The alternative is a level

of chaos that will pose serious problems for all of us.

Sincerely,

JOHN D. DINGELL,  
Chairman.

CONGRESS OF THE UNITED STATES,  
Washington, DC, June 22, 1994.

Hon. JOHN D. DINGELL,  
Chairman, House Committee on Energy and  
Commerce, Rayburn House Office Building,  
Washington, DC.

DEAR MR. CHAIRMAN: Last week the House voted to pass our bipartisan amendment to the Transportation Appropriations bill eliminating funding for the Interstate Commerce Commission. As you know, this amendment was just the first step in a two-step process to transfer the agency's functions to the Department of Transportation. The second step involves legislation implementing the transfer and authorizing the Secretary of Transportation to spend appropriated dollars for severance and other transition costs. Because the Energy and Commerce Committee has jurisdiction over the ICC, we are writing to express our willingness to be partners with you in fashioning a reasoned and orderly transfer of the ICC's functions.

By its vote last week, the House demonstrated its resolve to terminate one agency of the federal bureaucracy. It is imperative that the will of the House be realized. Although we recognize the complexities of such a transfer, we believe that by working together we can overcome whatever obstacles may arise. As you may know, Mr. Kasich has introduced H.R. 3127, which would complete the process that the House set in motion last week. We hope you will consider this legislation as you seek the best method of achieving the transfer.

If we can be of assistance in any way, please contact us. Our staff members are available at any time. They are the following: for Mr. Kasich, Marie Wheat at 6-7270; for Mr. Hefley, Brian Reardon at 5-4422; for Mr. Condit, Steve Jones at 5-6131; for Mr. DeLay, Glen LeMunyon at 5-5941; for Mr. Cox, Ben Cohen 5-5611; and for Mr. Kennedy, Philippe Houdard at 5-5111.

Thank you for your cooperation. We look forward to hearing from you in the near future.

Sincerely,

JOHN R. KASICH,  
TOM DELAY,  
JOEL HEFLEY,  
CHRIS COX,  
GARY CONDIT,  
JOE KENNEDY.

Mr. Speaker, I make the observation that we will be coming forward with changes in the way the ICC is positioned, where it is located, how it will function, but we will seek at the time we do so, first of all, to work together with my good friend, the gentleman from California, and with the ranking minority members both of the subcommittee and the committee, and with Members similarly situated on the Committee on Public Works and Transportation. It is important that we resolve those issues in a way which ends the turmoil and the discord which has existed on these matters, but it is important, as we do so, we come forward with a package which preserves the open, collegial consideration of important questions and preserves the

independent way in which those decisions are made.

Mr. MINETA. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Speaker, last November, the House passed H.R. 2178, the Hazardous Materials Transportation Act Amendments of 1994. Today, we consider the legislation as amended by the other body which includes the text of S. 1640. It represents the efforts of the Committee on Energy and Commerce, the Committee on Public Works and Transportation and the other body.

Each year, the Department of Transportation estimates that over 500,000 movements of hazardous materials occur each day in the United States. This adds up to over 4 billion tons of hazardous materials moved each year. As such, the transportation of hazardous materials is a matter of great concern because of the serious threat it poses to the public, to property, and to the environment.

The legislation will assist the Department of Transportation in its efforts to regulate the transportation of hazardous materials. H.R. 2178 as amended provides a 3-year authorization and establishes important programs for the training of both hazardous materials employees and the emergency responders that handle the unfortunate aftermath of accidents.

In addition, it allows the Secretary of Transportation to exempt foreign offerors of hazardous materials from the registration requirements under the act. This was in response to concerns expressed by the administration that foreign governments would begin to impose registration requirements on U.S. companies that offer hazardous materials shipments overseas that might be far more expensive and cumbersome than our own. This could significantly hamper U.S. participation in foreign markets. In addition, the beneficiaries of this program—that is, the States, Indian tribes, and local governments—are already exempted from these fees. It would be inequitable to require foreign governments to register when the beneficiaries of the program do not have to. Take note that foreign carriers operating in the U.S. will still have to register.

Next, this legislation establishes time limits for the administration to respond to requests for preemption determinations and exemption applications. Until now, no limits have been in place and there has been concern that these administrative determinations were not being considered in a timely fashion.

Finally, this legislation asks the Department of Transportation to determine if open-head fiber drums can be safely used for domestic transport of liquid hazardous materials.

H.R. 2178 will allow the Department of Transportation to continue its ef-

forts to ensure that the transportation of hazardous materials whether it is by rail or other means occurs safely.

Finally, I am pleased that the legislation reflects agreements reached by the Public Works and Transportation Committee and the other body with regard to the continuing and important regulatory responsibilities of the Interstate Commerce Commission as they pertain to the railroad industry.

Mr. Speaker, this is a good piece of legislation. I urge my colleagues to support H.R. 2178.

Mr. PETRI. Mr. Speaker, I yield such time as he may consume to our distinguished colleague, the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I rise in support of H.R. 2178. This revised version of the bill represents a House-Senate agreement on reauthorizing the safety activities of the Department of Transportation concerning transportation of hazardous materials. It also represents the product of very diligent work by our chairman, the gentleman from Michigan [Mr. DINGELL], our subcommittee chairman, the gentleman from Washington [Mr. SWIFT], our subcommittee ranking member, the gentleman from Ohio [Mr. OXLEY], and by our colleagues on both sides of the aisle from the Public Works Committee.

Hazardous materials transportation usually attracts attention only when there is an accident of some sort. What most of us fail to realize is that literally hundreds of everyday items vital to consumers and to American businesses could not exist without hazardous materials transportation to get the needed commodities to the manufacturing sites. Consequently, hazardous materials transportation is a vital link in the functioning of our industrial economy.

The reauthorization in this bill makes relatively modest adjustments to the Hazardous Materials Transportation Act, since Congress extensively overhauled that law in 1990. I am also pleased to report that the House-Senate agreement retains virtually all of the key features of the House-passed bill. The legislation addresses a number of issues, including the promptness of DOT rulings on preemption matters, railroad tank car safety, and how to apply international standards to hazardous materials packaging.

The second part of H.R. 2178 is a new addition from the Senate—a package of trucking deregulation provisions based on the Exon-Packwood bill. My colleagues from the Public Works Committee can best describe these provisions. But the bottom line is clear: it permits an immediate 30 per cent reduction in the funds for the Interstate Commerce Commission.

In addition, the bill mandates a study of the future of the ICC. The Department of Transportation is to make

recommendations during Fiscal Year 1995 on the best disposition of the ICC's remaining regulatory functions. Any and all of the following options are available: elimination, transfer to DOT or other Cabinet agency, creation of an autonomous agency within DOT—much as the Federal Energy Regulatory Commission is affiliated with the Department of Energy—retention of functions in an independent agency, or combination with another agency. This will give the authorizing committees and the Congress a blueprint for an orderly process to deal with the ICC's regulatory functions. We will have eliminated almost one-third of its budget immediately in this legislation, and we hope that further economies can be realized in the future, when Congress turns to implementing the DOT recommendations.

Mr. SHUSTER. Mr. Speaker, I rise in strong support of H.R. 2178, the Hazardous Materials Transportation Authorization Act of 1994. I would like to take this opportunity to expand upon certain aspects of title II, the Trucking Industry Regulatory Reform Act of 1994.

The Trucking Industry Regulatory Reform Act completes the year-long series of reforms to the trucking industry undertaken by the Committee on Public Works and Transportation. The first was the Negotiated Rates Act of 1993, which settled the terrible undercharge crisis that faced our Nation's transportation industry. The second was preemption of State regulation of intrastate trucking contained in section 601 of the Federal Aviation Administration Act of 1994, which will save our economy billions in lower intrastate freight charges. And the third of course is the Trucking Industry Regulatory Reform Act of 1994, which we are considering today. Together, these three acts have restructured our Nation's trucking industry to eliminate costly and needless regulation and promote greater efficiency, thus benefiting our Nation as a whole.

The Trucking Industry Regulatory Reform Act modifies or eliminates numerous unnecessary and costly regulatory functions performed by the ICC. Most importantly, this act goes a long way toward eliminating the wasteful and unnecessary filed-rate doctrine at the Interstate Commerce Commission. The filed-rate doctrine—which required that all motor carriers file tariffs containing their rates with the ICC and obligated shippers to pay the rate contained in the filed tariffs—is one of the last vestiges of the past era of interstate trucking regulation. It was the existence of the filed-rate doctrine that led to the undercharge crisis that was resolved by the Negotiated Rates Act.

Section 206 eliminates tariff filings for individually determined rates; that is, all rates that are not set by rate bureaus. This will eliminate the tariff filing requirement for up to 90 percent of the 1.4 million tariffs filed annually. Most importantly, this section eliminates once and for all the filed-rate doctrine for individually determined rates.

The result of these changes is that for individually determined rates, there will no longer be an obligation for carriers to file any tariff containing rates with the ICC or anywhere

else and there will no longer be any obligation on the part of a shipper to pay any filed rate. For effected rates, the link between tariff filings and charges is severed. Henceforth, all individually determined rates will be set by free market negotiations between carriers and shippers.

Section 206 also adds new subparagraphs (3) and (4) to section 10762(a) of title 49 to clarify the rights and responsibilities between carriers and shippers regarding billing disputes. First, the shipper is given the right to be provided with a copy of the rates applicable to his shipment upon his request to the carrier. Second, upon request of the shipper, the ICC shall resolve disputes over rate applicability or reasonableness. Third, in the event that a carrier seeks to collect charges beyond those originally billed and collected from the shipper, the carrier may request that the ICC resolve the matter, and in any case, such request for additional charges must be made within 180 days of the receipt of the original bill. Finally, new subparagraph (4) provides that a shipper which contests the charges originally billed must do so within 180 days from receipt of such original bill. Of course, the parties are free to settle any disputes without Federal intervention or having their settlement approved by the ICC.

In sum, new paragraphs (3) and (4) permit shippers and carriers to continue to have the ICC resolve rate disputes that arise from the market negotiations. There is no intention to create any new functions or responsibilities for the ICC, but instead to clarify rate dispute resolution mechanisms in light of the elimination of the filed-rate doctrine for individually determined rates.

Paragraph (3) does not anticipate the possibility of future undercharge claims merely because it contains a dispute settlement mechanism for instances when carriers seek to collect charges in addition to those billed and collected. Any claim for additional charges would not be the result of an undercharge, but rather because a carrier believes the rate it reached with the shipper is different than the rate the shipper believes was agreed to.

There is no possibility that a carrier—or its successor in interest—may seek additional charges from a shipper because the carrier had filed or possessed a tariff containing a particular rate and negotiated a lower rate with a shipper. Nor will an undercharge claim be possible because a carrier kept a rate on file with itself or elsewhere.

Simply stated, the possibility of a negotiated rate undercharge has been eliminated because there is no longer any obligation for a carrier to file a rate with the ICC or anywhere else and no further obligation for a shipper to pay that rate. All individually negotiated rates are to be determined and proven by evidence of market negotiations. Any rates kept or published by carriers are merely evidence of such negotiations.

Furthermore, new paragraphs (3) and (4) set a statute of limitations of 180 days for all rate disputes, thus shortening the timeframe for billing disputes to be raised at all. The purpose of this shortened statute of limitations is to streamline billing disputes and prevent claims by shippers or carriers that the amount billed was incorrect far in the future.

Two additional aspects of new paragraphs (3) and (4) require explanation.

First, the second sentence of new paragraph (3), which permits the ICC to hear challenges to rate applicability or reasonableness upon request of the shipper and new paragraph (4), which states that when the shipper challenges the charges originally billed, he must do so within 180 days of receipt of the original bill, are intended to cover exactly the same circumstances. Challenges to rate reasonableness and applicability are the same as shippers "contest[ing] the charges" and subject to the 180 day statute of limitations contained in paragraph (4). Paragraph (4) is intended to modify the second sentence of paragraph (3) to ensure that all shipper rate challenges are brought within the 180 day period.

Second, the third sentence of paragraph (3) which permits a carrier or its successor, in the event that it brings a claim for charges in addition to those billed and filed, to do so before the ICC, is intended to have the ICC determine undercharge claims at the election of the carrier or the shipper, and is not intended to restrict the election of forum to the carrier only.

Tariff filings remain for motor-water tariffs in noncontiguous domestic trade, household goods carriers, and rates filed by rate bureaus. Rate bureau filings were continued to permit smaller shippers the option of using rate bureaus. If carriers discount rate bureau tariffs, however, such rates will then become individually determined rates. For classifications, mileage guides, or other governing tariffs, a participating carrier must properly participate in the tariff in order to collect its rates. If a carrier does not have a proper power of attorney to participate in the governing tariff, no other rate can be collected.

Sections 207 and 208 eliminate all entry standards for the motor common and contract carriers other than compliance with Department of Transportation and ICC safety and insurance requirements. In particular, the granting of operating authority based on public convenience and necessity is ended. Since entry was eased in 1980, the ICC has rarely, if ever, found a proposed service inconsistent with the public convenience and necessity.

Section 210 directs the preparation of two reports to Congress analyzing alternatives to the current structure of the ICC. First, a comprehensive review of all of the ICC's functions and second, a study of possible changes to the ICC from its current status and integrating its functions into existing agencies.

These two studies are intended to formally examine the need and efficiencies gained from altering the ICC's current status as an independent agency. There has been substantial concern raised about statutorily eliminating the ICC before a comprehensive review of the need to sunset the agency and the formulation of a plan to continue all of its identified statutory functions. Thus, these studies are intended to identify the need for the ICC's functions, the efficacy of altering the ICC's current status as an independent agency, and to present Congress with a comprehensive summary of all issues and alternatives for its future consideration.

One final provision, section 211, merits highlighting. This section preempts State regulation of fares of intrastate bus passenger

service on interstate routes. Currently, a State has 4 months to rule on a fare petition affecting intrastate bus passenger service being performed by an intercity bus operator as part of interstate service. If the State does not act or denies the carrier's petition, the carrier can appeal to the ICC, which must render a decision within 3 months of filing an appeal. Virtually all rate cases appealed to the ICC have been decided in favor of the carrier. While section 11501(e) (1)-(4) and 11501(e)(6) referred to a "rate, rule, or practice" and the preemption language in new section 10936 references "fares," no difference in meaning is intended. The preemption is intended to cover all the technical tariff issues included in a rate filing. At a time when intercity bus operators are struggling to survive due to intense competition from low-cost airlines and the automobile, elimination of this unnecessary procedural hoop to change fares is warranted. It will permit bus operators to respond to market forces immediately in terms of setting their fares and help to ensure the future of intercity bus service in this country.

Because all sections of this act—other than sections 207 and 208—are effective on the date of enactment of this bill, I urge the ICC to act as quickly as possible to establish transition rules for these new procedures.

Mr. DELAY. Mr. Speaker, I can hardly believe it. I have been working for trucking deregulation for 16 years—my entire political career—and lo and behold, over the last 2 weeks, two of the biggest deregulation measures pass this House under suspension of the rules. My, how times have changed.

Over 7 years ago, I introduced trucking deregulation legislation that essentially does exactly what the House has passed over the last 2 weeks. Improved efficiency, increased competition, and reduced paperwork resulting from complete economic reform of the trucking industry will save billions in business logistic costs and those savings will be passed on to the consumer.

Last week, during consideration of H.R. 2739, the Aviation Infrastructure Investment Act Conference Report, Congress basically made swiss cheese out of States' intrastate regulations. Essentially, through that legislation, Congress told State regulators to hang up their regulatory robes since there is nothing more to regulate. This is the best news for the American consumer since the trucking deregulation efforts of 1980.

Today, the House considers a bill of equal importance, legislation that essentially eliminates all trucking functions from the ICC.

As you may know, this legislation came about because of the historic vote on the House floor several months ago when the House voted to eliminate the ICC and transfer its remaining function to the Department of Transportation. The House overwhelmingly voted to zero-out the ICC. After that historic vote, the Senate was the target for every special interest group in the country interested in saving the Interstate Commerce Commission. It became apparent that elimination of the ICC was not assured. At that point, Senator EXON and PACKWOOD offered legislation that essentially eliminated the trucking functions at the ICC and cut their funding by about one-third.

The text of that legislation is included in the Hazardous Materials Transportation Act amendments under consideration today.

Mr. Speaker, these regulations that we are eliminating today have, in the past, been the life blood of Federal regulators. Times truly have changed since all sides of the issue have come together to create this deregulation legislation.

These subtle trucking deregulation efforts have not gone unnoticed. I commend the efforts of all parties responsible for bringing this legislation to the floor. The American consumer will benefit greatly from the passage of these deregulatory measures since the savings generated from the trucking companies will be passed on to the consumer. Trucking companies save because they will not have to spend their time, effort and money filing useless tariff documents with the ICC.

H.R. 2178 is an excellent compromise since it accomplishes all of the trucking deregulation I have been pushing for 16 years. I applaud the committee's efforts, look forward to working for more transportation deregulation next year, and urge the adoption of the legislation before the House today.

Mr. RAHALL. Mr. Speaker, the legislation pending before the House consists of two titles, the first of which is based on a bill previously passed by this body that would reauthorize the Hazardous Materials Transportation Act. The second title of the pending legislation deals with an issue which has not yet been considered by this body and involves the further reform of interstate motor carrier regulation. This second title is being considered as a means to begin to address the House vote, during consideration of the fiscal year 1995 transportation appropriations bill, to eliminate funding for the Interstate Commerce Commission.

It is important to note that title I of this bill contains all of the elements of the original House-passed version of H.R. 2178 relating to the reauthorization of the Hazardous Materials Transportation Act. In this regard, some modifications to the House language have been made by the Senate in consultation with the House Committees on Public Works and Transportation and Energy and Commerce. In addition, this measure contains a number of other provisions which originated with the Senate. Ultimately, however, the primary purpose of title I of the pending bill is to reauthorize the act through fiscal year 1997.

Among the amendments made to the Hazardous Materials Transportation Act by this legislation are three in particular which I have advanced in my capacity as chairman of the Subcommittee on Surface Transportation.

The first of these provisions modifies the training grant programs of the act. Currently, the act provides for two types of training grants: Under section 117A for training public sector hazmat employees like fire fighters and police through grants to the States, and under section 118 for training private sector hazmat employees, such as truckers.

With respect to the section 117A State grant program, the Surface Transportation Subcommittee received testimony that these grants are of an insufficient amount to provide for adequate training, and, that they are not always used by the States to train the public

sector employee group that is in the front line in responding to hazardous material incidents: fire fighters.

For this reason, the bill proposes a new supplemental program through which the Secretary may make grants to qualifying organizations engaged solely in fighting fires for the purpose of training fire fighting personnel to respond to hazardous materials accidents and incidents. The International Association of Fire Fighters would be one such qualifying organization.

Further, the bill would greatly expand the current authorization for the section 118 grants used for training of hazmat employees engaged in the loading, unloading, handling, storage and transportation of hazardous materials and emergency response.

In my view, the existing authorization is simply inadequate to provide proper training for the thousands upon thousands of employees involved with hazardous materials in the motor carrier, railroad, airline and maritime industries.

The second provision seeks to further address the question of whether or not a centralized computer tracking system for all hazardous materials in transportation should be required.

Under such a system, shipper would enter information about hazardous materials into a computerized data center at both the commencement and completion of each shipment. In the event of an incident, this information would be immediately available to police and fire fighters.

The 1990 reauthorization legislation called on the National Academy of Sciences to study the matter. That study did not recommend the immediate establishment of a central reporting system and computerized telecommunications system. It did, however, recommend that the Department of Transportation test prototype automated information systems.

To advance this proposal, H.R. 2178 provides for the establishment of one or more pilot projects involving motor carriers in order to demonstrate the feasibility of establishing and operating computerized telecommunications emergency response information technologies. These projects would be conducted under the auspices of the Intelligent Vehicle-Highway Systems Act of 1991.

In this regard, I would note that the Federal Railroad Administration is currently undertaking a pilot project of this nature involving a railroad in Houston, TX. Consideration should be given to expanding this project through the inclusion of motor carriers under the pilot project program provided for by H.R. 2178.

The third provision advanced by the Surface Transportation Subcommittee would require the Secretary of Transportation to initiate a rulemaking to examine whether fibre drums for the domestic transportation of liquid hazardous materials can comply with statutory safety standard, and provide an equal or greater level of safety, than the regulations promulgated by DOT which are scheduled to take effect on October 1, 1996.

In this regard, I would note that section 105(d)(2) of the Hazardous Materials Transportation Act gives the Secretary of Transportation discretionary authority to issue standards applicable to the domestic transportation

of hazardous materials consistent with standards adopted by an international body, with the adoption of such international-based standards for the purposes of domestic commerce not required by law.

The Secretary has promulgated regulations applicable to the domestic transportation of hazardous materials in a proceeding known as HM-181 based on the recommendations of a committee of the United Nations formed to develop requirements applicable to international commerce, with such regulations effective October 1, 1996.

Pursuant to the HM-181 regulations, certain types of packaging, including open-headed fiber drum packaging used for liquid hazardous materials, will no longer be acceptable for domestic commerce in the United States, despite the demonstrated safety of such fiber drum packaging technology.

However, fiber drum packaging for liquid hazardous materials is an exclusive American technology, and due to the lack of experience with it among the international community, may not have been duly considered in the formulation of standards pursuant to HM-181.

In addition, several Nations other than the United States continue to provide for the regulation of hazardous materials transportation within their borders utilizing standards not based on the recommendations of the United Nations Committee.

Because of these concerns, we have included a provision in H.R. 2178 that requires the Transportation Department to reexamine the issue, and if it determines that fiber drums for the domestic transportation of liquid hazardous materials can comply with the statutory standards, and provide an equal or greater level of safety than the HM-181 regulations, the agency could decide to allow the drums to continue to be used for domestic liquid hazardous materials transportation.

Before I leave this issue, I do want to commend our colleague, JOHN SPRATT of South Carolina, for originally bringing it to the attention of the Surface Transportation Subcommittee. I would further note that during the Senate's consideration of this legislation on August 11, 1994, Senator HOLLINGS and Senator EXON engaged in a colloquy on this provision of the bill and I would like to note that the understanding they reached is one which I am in complete agreement with.

As I mentioned earlier, title II of H.R. 2178 concerns the further reform of interstate motor carrier regulation. While this provision originated with the Senate, it represents a position acceptable to the leadership of the House Committee on Public Works and Transportation and was devised in consultation with the administration as well as representatives of the trucking and shipping community.

Mr. Speaker, on June 16 of this year, the House by a vote of 234 to 192 eliminated all funding for the Interstate Commerce Commission in its version of the fiscal year 1995 Transportation Appropriation bill.

In my view, based on statements made on the House floor that day, the primary motivation Members had in seeking to eliminate funding for the Commission was grounded in reducing the budget deficit rather than invoking regulatory changes.

However, even the most casual observer of this issue understands that budgetary savings

can only result by eliminating aspects of the Commission's responsibilities.

The fact of the matter is that eliminating funding for the ICC and further transportation regulatory reform are intertwined issues.

In the aftermath of the House vote, it fell to the leadership of the House and Senate authorizing committees to determine how to reconcile the House vote to terminate the ICC under the guise of budget deficit reduction, and the fact that budgetary savings would only result by the elimination of certain Commission functions.

The result of these deliberations, which included the administration, the Appropriations Committee and House sponsors of the amendment to eliminate the ICC's funding, was added by the Senate as title II of H.R. 2178.

The reforms envisioned by this legislation would eliminate the obligation of individual motor carriers to file rates with the ICC, eliminate the requirement of motor carriers engaged in interstate commerce to obtain a certificate of public convenience and necessity from the ICC as it relates to entry while preserving the Commission's authority to require compliance with safety and financial responsibility requirements; provide the Commission with limited authority to provide for other exemptions from motor carrier regulation; and preempt State laws governing interstate motor carriers of passengers as they relate to the regulation of intrastate fares. In addition, title II requires the ICC and the Secretary of Transportation to report to the Congress with recommendations on future organizational options for the Commission and its authorities.

With respect to these reforms, I would like to make it clear that this legislation in no way eliminates the ICC's authority as it relates to motor carrier safety fitness and insurance requirements. Further, the Commission would be prohibited from utilizing the exemption authority provided in the bill to eliminate regulation of these and a number of other areas, including those relating to antitrust immunity for joint line rates and routes, classification of commodities, uniform bills of lading and standardized mileage guides.

Finally, while the bill would preempt State regulation of intrastate fares for the transportation of passengers by bus by an interstate motor carrier of passengers, it clearly provides for a continued State role with respect to proposals to discontinue service. Those of us from the rural areas of this Nation are painfully aware of the dramatic loss of intercity bus service that resulted after the enactment of the bus deregulation bill in 1982. However, in light of the financial difficulties major bus companies such as Greyhound are experiencing, with this legislation it is my hope that by providing for increased flexibility as it relates to fares, existing service to rural areas will be preserved and perhaps enhanced.

Mr. Speaker, the intention of these regulatory reforms is to reduce the ICC's budget by approximately one-third while providing for the public interest to continue to be served in the area of interstate motor carrier regulation.

This is indeed a comprehensive measure before us, concerning two distinct and separate matters, but it is one which deserves the support of the House.

Mr. OXLEY. Thank you, Mr. Speaker. I rise in strong support of H.R. 2178. This legislation to reauthorize the safety activities of the Department of Transportation with respect to hazardous materials transportation has had a strong bipartisan consensus behind it throughout the legislative process. The version we are considering today is the equivalent of a conference report, because it represents a House-Senate agreement on the final configuration of hazardous materials legislation the House approved last fall.

The Hazardous Materials Transportation Act was extensively revised in legislation enacted in 1990. Therefore, this new reauthorization makes relatively minor adjustments to the statute, recognizing that the 1990 law is still being implemented. Most of the improvements are to process—making DOT rulings on questions of State and Federal jurisdiction more responsive and correcting certain technical flaws that have been detected since the 1990 enactment.

I want to again commend Chairman DINGELL, Subcommittee Chairman SWIFT, and our ranking member, Mr. MOORHEAD, and our colleagues on both sides of the aisle from the Public Works Committee, for their work on this legislation. The safe transportation of hazardous materials is an essential ingredient to the successful functioning of our industrial system, particularly the manufacture of many goods that involve chemical ingredients. This legislation keeps DOT on course to maintain and improve the safety of such transportation, whether by rail or motor carrier.

A second part of the House-Senate agreement on this legislation deals with further deregulation of interstate trucking, based on the Senate's Exon-Packwood bill. I support the reduction of Federal regulation wherever feasible, and I leave it to my colleagues on the Public Works Committee to describe the trucking provisions of the bill, which lie within their exclusive jurisdiction.

One provision of the trucking legislation lies within the joint jurisdiction of both the Energy and Commerce Committee and the Public Works and Transportation Committee—a study of the future disposition of the various regulatory functions of the Interstate Commerce Commission.

This study, which will be carried out by the ICC and the Department of Transportation during fiscal year 1995, is aimed at identifying all functions of the ICC that can be eliminated, and also at analyzing the best location for the ICC's remaining functions. The catalyst for this in-depth analysis of the ICC was clearly the initiative of my colleague from Ohio, Mr. KASICH, who helped shake up the status quo approach Congress had adopted in recent years regarding the ICC. Because of his appropriations amendment, we now have substantial new trucking deregulation, plus a mandate for a complete and thorough analysis of the best future institutional format for the ICC.

In studying the ICC, DOT is directed to consider all the options—deleting functions entirely, transferring them directly to a Cabinet agency such as DOT, retaining them in an autonomous agency within DOT, keeping them in a traditional independent agency, combining the ICC's functions with those of another agency, or any combination of these.

This is a sound and constructive approach which will force the Congress to examine the economic regulation of transportation. Once DOT has carried out the study, it will be up to the authorizing committees to act promptly on the DOT recommendations. In my view, this kind of congressional re-examination of Federal regulation is something we do not do often enough, and I think my colleague, Mr. KASICH, deserves considerable credit for getting the process underway.

Mr. CLINGER. Mr. Speaker, I would like to commend my colleagues for all of their hard work on H.R. 2178 which reauthorizes the Hazardous Materials Transportation Act. This legislation is critical in that it will help ensure that the risks inherent in the transportation of hazardous materials are minimized, and that we provide precautions to protect our citizens.

I would especially like to express my deep appreciation to Public Works Chairman MINETA, ranking member SCHUSTER, Chairman RAHALL, and Mr. PETRI, and Energy and Commerce Chairman DINGELL and ranking member MOORHEAD, Chairman SWIFT and Mr. OXLEY, as well as the Public Works staff for incorporating in the final legislation a provision which I authored in the Committee on Public Works and Transportation. This provision requires the Secretary of Transportation to conduct a study to determine the safety considerations of transporting hazardous materials by motor carrier in close proximity to Federal prisons. Within 1 year of enactment, the Department of Transportation would report to Congress on the results of the study along with recommendations for any legislative or regulatory changes that might be needed to enhance safety.

The motivation behind the study is to prevent what could be a potentially very dangerous situation for Federal prison staff, prisoners, and the surrounding communities. We are all aware of the numerous accidents involving trucks carrying hazardous materials. In 1990 and 1991 there were over 7,200 incidents of releases of hazardous materials reported to the Department of Transportation related to highway transportation of these materials. If such a release were to occur in close proximity to a Federal prison, emergency procedures such as an evacuation could pose special problems.

This provision emanated from a problem facing Union County, PA in my own district. Allenwood Prison complex is a large facility which houses 3,000 prisoners, including maximum security prisoners, and has a staff of 700. Adjacent to the Allenwood correctional complex is Highway 15 which is a major truck highway, and there was quite a lot of concern by the community that the highway would be the main route used to transport hazardous waste to a proposed incinerator. There was no information available to indicate what steps would be needed to be taken to ensure safety. If there was a spill or other type of release it would be very difficult to evacuate the 3,000 prisoners or staff in a timely and safe manner—and the safety of citizens in the community would be jeopardized as well. According to the Bureau of Prisons, after Hurricane Andrew it took over 3 days to evacuate a smaller prison in Miami.

For other communities that may be faced with a similar situation, a large Federal prison

that is located next to a major highway, the DOT study will serve to identify what steps that should be taken to enhance safety. These should include any special training, equipment, and personnel requirements that may be needed.

Mr. Speaker, it is my sincere hope that this DOT study will provide steps for necessary action that will prevent a catastrophe from occurring before rather than after the fact. Again, I would like to thank the leadership of the two communities for ensuring that this provision was included in the final legislation.

Mr. PETRI. Mr. Speaker, I have no further requests for time and, therefore, I yield back the balance of my time.

Mr. MINETA. Mr. Speaker, I, too, have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TRAFICANT). The question is on the motion offered by the gentleman from California [Mr. MINETA] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 2178.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. MINETA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2178, and the Senate amendment just concurred in.

The SPEAKER pro tempore (Mr. BROWN of California). Is there objection to the request of the gentleman from California?

There was no objection.

#### CONCURRING IN SENATE AMENDMENT TO H.R. 4812, TRANSFER OF OLD U.S. MINT IN SAN FRANCISCO

Mr. TRAFICANT. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 4812) to direct the Administrator of General Services to acquire by transfer the Old U.S. Mint in San Francisco, CA, and for other purposes.

The Clerk read as follows:

Senate amendment:

Page 2, after line 8, insert:

#### SEC. 2. REPAIRS OF OLD U.S. MINT, SAN FRANCISCO.

Nothing in this Act shall be construed to force the General Services Administration to repair the Old U.S. Mint building prior to repairs to other Federal buildings in greater need of repair.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. TRAFICANT] will be recognized for 20 minutes, and the gentleman from Wisconsin [Mr. PETRI] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California [Mr. MINETA], chairman of the Committee on Public Works and Transportation.

Mr. MINETA. Mr. Speaker, I wish to, first of all, thank the very fine friend and distinguished chairman of our Subcommittee on Public Buildings and Grounds, the gentleman from Ohio [Mr. TRAFICANT], for moving this bill expeditiously.

Mr. Speaker, this bill is basically the same bill that the House passed under suspension on August 8.

As I stated at that time, I would also like to commend the gentlewoman from California [Ms. PELOSI], my colleague, for joining me in cosponsoring this very important piece of legislation.

Mr. Speaker, H.R. 4812 would transfer title to the Old U.S. Mint located in San Francisco to the General Services Administration at no cost. It will enable GSA, through the Federal buildings fund, to repair and renovate this historic landmark building.

Mr. Speaker, the Old Mint Building was constructed between 1869 and 1974. It is one of the first stone buildings constructed in San Francisco and now remains as the city's oldest stone structure. It is on the National Register of Historic Places and has been designated a national landmark building. Today it houses the Old Mint Museum where thousands of tourists and schoolchildren visit each year, as well as various administrative operations for the San Francisco Mint.

Last year, Mr. Speaker, the mint was closed because of damage caused by the Loma Prieta earthquake. Now, as it approaches its 120th birthday in November, the Old Mint needs our help.

Mr. Speaker, the legislation before us is a simple transfer of title from Treasury to the General Services Administration to accomplish the goal of rehabilitating the Old Mint to preserve one of our Nation's most endangered landmarks. The Senate amendment, which is not controversial, simply provides that nothing shall be construed to force GSA to repair the Old Mint prior to repairs to other Federal buildings in greater need of repair.

Mr. Speaker, this is an important piece of legislation and worthy of this body's prompt attention. I urge its passage, and I thank the gentleman for yielding the time.

□ 1350

Mr. PETRI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4812, a bill which directs the Administrator of General Services to transfer, without monetary consideration, the Old U.S. Mint in San Francisco, CA,

from the Department of Treasury to the General Services Administration.

The Old U.S. Mint possesses significant historical value. This building was constructed between 1869 and 1874 of granite, which has helped the structure withstand earthquakes and fires throughout the past century.

It ceased operation as a mint in 1937 and was transferred to the Department of Treasury in 1972. The building served as a museum until 1993 when damage from the 1989 Loma Prieta earthquake was discovered.

The structure requires extensive repair and a transfer of the building and property to the General Services Administration offers the best opportunity for these renovations to be achieved.

GSA will submit a detailed prospectus to Congress on the needed repairs. The committee will at that time have an opportunity to review the request and evaluate future possible uses for the Old U.S. Mint.

On August 11 of this year, the other body amended this bill to require that other Federal buildings in greater need of repair take precedence over this renovation project.

I support this no-cost transfer and urge the enactment of this legislation as it has been amended.

Mr. Speaker, I reserve the balance of my time.

Mr. TRAFICANT. Mr. Speaker, I yield such time as she may consume to the distinguished gentlewoman from California, Ms. PELOSI, who, along with Chairman MINETA, played a leadership role in this legislation.

Ms. PELOSI. Mr. Speaker, I join my colleague, the gentleman from California [Mr. MINETA] in commending the gentleman from Ohio [Mr. TRAFICANT] for his leadership in bringing this legislation expeditiously to the floor. I want to give my thanks to the gentleman from Ohio [Mr. TRAFICANT], to the gentleman from Wisconsin [Mr. PETRI], the gentleman from Tennessee [Mr. DUNCAN], the ranking member of the committee, and all the members of the subcommittee for their recognition and appreciation of the worth of the "Granite Lady," the Old Mint Building in San Francisco.

Mr. Speaker, in joining the gentleman from California, Mr. MINETA, I want to thank him for being the author of this legislation and for his leadership and his cooperation with Senator BOXER, who has taken the lead on this issue in our community and in the Congress.

I do want to inform our colleagues that my colleague representing San Francisco in the Congress, the gentleman from California [Mr. LANTOS] has been very involved in this issue as well. As many of us know, he has been under the weather these last few days. The message from him is that he is resting well and he is well enough to

send his strong support for this legislation. So I wanted the record to show that only because Mr. LANTOS is not well could he not join us today in support of this legislation.

The gentleman from California [Mr. MINETA] has done a remarkable job in shaping this legislation which is creative, innovative, and sensible. As the gentleman from Wisconsin [Mr. PETRI] has noted and as others in the Senate have noted, we have passed this legislation before. The legislation was passed in the Senate, and the conference agreement contains an amendment which would simply assure that the mint would be prioritized by the GAO on the merits of its condition and not as a result of any special legislation. The Senate amendment offers a clarification that is acceptable to us, as it was to Senator BOXER. It is reasonable and acceptable, and I urge my colleagues likewise to accept the amendment and the legislation.

Chairman MINETA in his remarks presented a case for the Old Mint. The gentleman from Wisconsin [Mr. PETRI] referenced that it was damaged in the Loma Prieta earthquake. It did survive the earthquake of 1906.

Our community, Mr. Speaker, has closed ranks to preserve this endangered historic landmark, the Granite Lady, as it is called. We want it to be open to the public. In partnership with these efforts, H.R. 4812 would ensure that it would be repaired by the Federal Government.

The Granite Lady, as has been said, is a national landmark. It cannot be torn down. It is a safety hazard, and we must take action to prevent its becoming a hazard to the community. Once again, our community has closed ranks behind the Granite Lady. This Congress has once before showed its support for the Old Mint Building, and hopefully today we will do so once again.

Mr. Speaker, I again commend the committee for expeditiously bringing the legislation to the floor. I commend the gentleman from Ohio [Mr. TRAFICANT], the gentleman from Tennessee [Mr. DUNCAN], the gentleman from Pennsylvania [Mr. SHUSTER], the gentleman from Wisconsin [Mr. PETRI], and especially the chairman of the committee, the gentleman from California [Mr. MINETA].

Mr. PETRI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TRAFICANT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend the gentleman from Tennessee [Mr. DUNCAN] for his help in this matter, and I commend also the staff on both sides for this legislation.

For identification purposes, the Senate amendment is a clarifying amendment which addresses the prioritization of GSA projects.

H.R. 4812 was introduced for the primary purpose of transferring the title of this very special building in San Francisco, CA, the Old U.S. Mint, from the Treasury Department to the General Service Administration, at no cost. This legislation will enable GSA, through the Federal Building Fund, to repair and renovate this historic landmark.

Mr. Speaker, this is a good bill, and I urge its approval.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BROWN of California). The question is on the motion offered by the gentleman from Ohio [Mr. TRAFICANT] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 4812.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. TRAFICANT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There were no objection.

#### MAKING CERTAIN TECHNICAL CORRECTIONS IN SUNDRY BILLS RELATING TO INDIAN AFFAIRS

Mr. RICHARDSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4709) to make certain technical corrections, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4709

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. LEASING AUTHORITY OF THE INDIAN PUEBLO FEDERAL DEVELOPMENT CORPORATION.

Notwithstanding the provisions of section 17 of the Act of June 18, 1934 (25 U.S.C. 477), the Indian Pueblo Federal Development Corporation, whose charter was issued pursuant to such section by the Secretary of the Interior on January 15, 1993, shall have the authority to lease or sublease trust or restricted Indian lands for up to 50 years.

#### SEC. 2. GRAND RONDE RESERVATION ACT.

(a) LANDS DESCRIBED.—Section 1 of the Act entitled "An Act to establish a reservation for the Confederated Tribes of the Grand Ronde Community of Oregon, and for other purposes", approved September 9, 1988 (102 Stat. 1594), is amended—

(1) in subsection (c)—

(A) by striking "9,879.65" and inserting "10,120.68"; and

(B) by striking all after

and inserting in lieu thereof the following:

"6	8	1	SW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	10.0319
6	7	8	Tax lot 800	5.5519
4	7	30	Lots 3, 4, SW $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ ,E $\frac{1}{2}$ SW $\frac{1}{4}$	240 19
Total .....				10,120.68"

and

(2) by adding at the end the following:

"(d) CLAIMS EXTINGUISHED; LIABILITY.—

"(1) CLAIMS EXTINGUISHED.—All claims to lands within the State of Oregon based upon recognized title to the Grand Ronde Indian Reservation established by the Executive order of June 30, 1857, pursuant to treaties with the Kalapuya, Molalla, and other tribes, or any part thereof by the Confederated Tribes of the Grand Ronde Community of Oregon, or any predecessor or successor in interest, are hereby extinguished, and any transfers pursuant to the Act of April 28, 1904 (Chap. 1820; 33 Stat. 567) or other statute of the United States, by, from, or on behalf of the Confederated Tribes of the Grand Ronde Community of Oregon, or any predecessor or successor interest, shall be deemed to have been made in accordance with the Constitution and all laws of the United States that are specifically applicable to transfers of lands or natural resources from, by, or on behalf of any Indian, Indian nation, or tribe of Indians (including, but not limited to, the Trade and Intercourse Act of 1790 (Act of July 22, 1790; 25 U.S.C. 177, ch. 33, sec. 4; 1 Stat. 137)).

"(2) LIABILITY.—The Tribe shall assume responsibility for lost revenues, if any, to any county because of the transfer of revested Oregon and California Railroad grant lands in section 30, Township 4 South, Range 7 West."

(b) CIVIL AND CRIMINAL JURISDICTION.—Section 3 of such Act (102 Stat. 1595) is amended by adding at the end the following: "Such exercise shall not affect the Tribe's concurrent jurisdiction over such matters."

### SEC. 3. CONFEDERATED TRIBES OF THE SILETZ INDIANS OF OREGON.

Section 2 of the Act of September 4, 1980 (Public Law 96-340; 94 Stat. 1072) is amended—

(1) by inserting "(a)" after "SEC. 2."; and

(2) by adding at the end the following:

"(b)(1) The Secretary of the Interior, acting at the request of the Confederated Tribes of the Siletz Indians of Oregon, shall accept (subject to all valid rights-of-way and easements existing on the date of such request) any appropriate warranty deed conveying to the United States in trust for the Confederated Tribes of Siletz Indians of Oregon, contingent upon payment of all accrued and unpaid taxes, the following parcels of land located in Lincoln County, State of Oregon:

"(A) In Township 10 South, Range 8 West, Willamette Meridian—

"(i) a tract of land in the northwest and the northeast quarters of section 7 consisting of 208.50 acres, more or less, conveyed to the Tribe by warranty deed from John J. Jantzi and Erma M. Jantzi on March 30, 1990; and

"(ii) 3 tracts of land in section 7 consisting of 18.07 acres, more or less, conveyed to the Tribe by warranty deed from John J. Jantzi and Erma M. Jantzi on March 30, 1990.

"(B) In Township 10 South, Range 10 West, Willamette Meridian—

"(1) a tract of land in section 4, including a portion of United States Government Lot 31 lying west and south of the Siletz River,

consisting of 15.29 acres, more or less, conveyed to the Tribe by warranty deed from Patrick J. Collison and Patricia Ann Collison on February 27, 1991;

"(ii) a tract of land in section 9, located in Tract 60, consisting of 4.00 acres, more or less, conveyed to the Tribe by contract of sale from Gladys M. Faulkner on December 9, 1987;

"(iii) a tract of land in section 9, including portions of the north one-half of United States Government Lot 15, consisting of 7.34 acres, more or less, conveyed to the Tribe by contract of sale from Clayton E. Hursh and Anna L. Hursh on December 9, 1987;

"(iv) a tract of land in section 9, including a portion of the north one-half of Government Lot 16, consisting of 5.62 acres, more or less, conveyed to the Tribe by warranty deed from Steve Jebert and Elizabeth Jebert on December 1, 1987;

"(v) a tract of land in the southwest quarter of the northwest quarter of section 9, consisting of 3.45 acres, more or less, conveyed to the Tribe by warranty deed from Eugene Nashif on July 11, 1988; and

"(vi) a tract of land in section 10, including United States Government Lot 8 and portions of United States Government Lot 7, consisting of 29.93 acres, more or less, conveyed to the Tribe by warranty deed from Doyle Grooms on August 6, 1992.

"(C) In the northwest quarter of section 2 and the northeast quarter of section 3, Township 7 South, Range 11 West, Willamette Meridian, a tract of land comprising Lots 58, 59, 63, and 64, Lincoln Shore Star Resort, Lincoln City, Oregon.

"(2) The parcels of land described in paragraph (1), together with the following tracts of lands which have been conveyed to the United States in trust for the Confederated Tribes of Siletz Indians of Oregon—

"(A) a tract of land in section 3, Township 10 South, Range 10 West, Willamette Meridian, including portions of United States Government Lots 25, 26, 27, and 28, consisting of 49.35 acres, more or less, conveyed by the Siletz Tribe to the United States in trust for the Tribe on March 15, 1986; and

"(B) a tract of land in section 9, Township 10 South, Range 10 West, Willamette Meridian, including United States Government Lot 33, consisting of 2.27 acres, more or less, conveyed by warranty deed to the United States in trust for the Confederated Tribes of Siletz Indians of Oregon from Harold D. Alldridge and Sylvia C. Alldridge on June 30, 1981;

shall be subject to the limitations and provisions of sections 3, 4, and 5 of this Act and shall be deemed to be a restoration of land pursuant to section 7 of the Siletz Indian Tribe Restoration Act (91 Stat. 1415; 25 U.S.C. 711(e)).

"(3) Notwithstanding any other provision of law, the United States should not incur any liability for conditions on any parcels of land taken into trust under this section.

"(4) As soon as practicable after the transfer of the parcels provided in paragraphs (1) and (2), the Secretary of the Interior shall convey such parcels and publish a description of such lands in the Federal Register."

### SEC. 4. TRANSFER OF PARCEL BY YSLETA DEL SUR PUEBLO.

(a) RATIFICATION.—The transfer of the land described in subsection (b), together with fixtures thereon, on July 12, 1991, by the Ysleta Del Sur Pueblo is hereby ratified and shall be deemed to have been made in accordance with the Constitution and all laws of the United States that are specifically applicable to transfers of land from, by, or on

behalf of any Indian, Indian nation, or tribe or band of Indians (including section 2116 of the Revised Statutes (25 U.S.C. 177)) as if Congress had given its consent prior to the transfer.

(b) LANDS DESCRIBED.—The lands referred to in subsection (a) are more particularly described as follows:

Tract 1-B-1 (1.9251 acres) and Tract 1-B-2-A (0.0748 acres), Block 2 San Elizario, El Paso County, Texas.

### SEC. 5. AUTHORIZATION FOR 99-YEAR LEASES.

The second sentence of subsection (a) of the first section of the Act of August 9, 1955 (25 U.S.C. 415(a)), is amended by inserting "the Viejas Indian Reservation," after "Soboba Indian Reservation."

### SEC. 6. WIND RIVER INDIAN IRRIGATION PROJECT.

Funds appropriated for construction of the Wind River Indian Irrigation Project in fiscal year 1990 (Public Law 101-121), fiscal year 1991 (Public Law 101-512), and fiscal year 1992 (Public Law 102-154) shall be made available on a nonreimbursable basis.

### SEC. 7. REIMBURSEMENT OF COSTS INCURRED BY GILA RIVER INDIAN COMMUNITY FOR CERTAIN RECLAMATION CONSTRUCTION.

The Secretary of the Interior is authorized to pay \$1,842,205 to the Gila River Indian Community as reimbursement for the costs incurred by the Gila River Indian Community for construction allocated to irrigation on the Sacaton Ranch that would have been nonreimbursable if such construction had been performed by the Bureau of Reclamation under section 402 of the Colorado River Basin Project Act (43 U.S.C. 1542).

### SEC. 8. RECONVEYANCE OF CERTAIN EXCESS LANDS.

(a) IN GENERAL.—The Congress finds that the Sac and Fox Nation of Oklahoma has determined the lands described in subsection (b) to be excess to their needs and should be returned to the original Indian grantors or their heirs. The Secretary of the Interior is authorized to accept transfer of title from the Sac and Fox Nation of Oklahoma of its interest in the lands described in subsection (b).

(b) PERSONS AND LANDS.—The lands and individuals referred to in subsection (a) are as follows:

(1) To the United States of America in trust for Sadie Davis, now Tynen, or her heirs or devisees, the Surface and Surface Rights only in and to the SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 28, Township 17 North, Range 6 East of the Indian Meridian, Lincoln County, Oklahoma, containing 2.50 acres, more or less.

(2) To the United States of America in trust for Mabel Wakole, or her heirs or devisees, the Surface and Surface Rights only in and to the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Lot 6 of NW $\frac{1}{4}$  of Section 14, Township 11 North, Range 4 East of the Indian Meridian, Pottawatomie County, Oklahoma, containing 2.50 acres, more or less.

### SEC. 9. TITLE I OF THE ACT OF JANUARY 12, 1983, PERTAINING TO THE DEVILS LAKE SIOUX TRIBE.

Paragraph (1) of section 108(a) of title I of the Act of January 12, 1983 (96 Stat. 2515) is amended by striking out "of the date of death of the decedent" and inserting in lieu thereof "after the date on which the Secretary's determination of the heirs of the decedent becomes final".

### SEC. 10. NORTHERN CHEYENNE LAND TRANSFER.

(a) IN GENERAL.—Notwithstanding any contrary provision of law, the Secretary of the Interior or his authorized representative

("Secretary") is hereby authorized and directed to transfer by deed to Lane Deer High School District No. 6, Rosebud County, Montana ("School District"), all right, title, and interest of the United States and the Northern Cheyenne Tribe ("Tribe") in and to the lands described below ("Subject Lands"), to be held and used by the School District for the exclusive purpose of constructing and operating thereon a public high school and related facilities. The Subject Lands consist of a tract of approximately 40 acres within the Northern Cheyenne Indian Reservation, more particularly described as follows:

A tract of land located in the W $\frac{1}{2}$  SE $\frac{1}{4}$  and the E $\frac{1}{2}$  SW $\frac{1}{4}$  of Section 10, Township 3 South, Range 41 East, M.P.M., described as follows: Beginning at the south  $\frac{1}{4}$  corner of said Section 10, thence south 89 degrees 56 minutes west 393.31 feet on and along the south line of said Section 10 to the true point of beginning, thence south 89 degrees 56 minutes west 500.0 feet on and along said Section line, thence north 00 degrees 00 minutes east, 575.0 feet, thence north 54 degrees 9 minutes 22 seconds east 2382.26 feet, thence south 23 degrees 44 minutes 21 seconds east 622.56 feet, thence south 51 degrees 14 minutes 40 seconds west 2177.19 feet to the true point of beginning, containing in all 40.0 acres, more or less.

(b) DEED AND LEASE.—(1) The deed issued under this section shall provide that—

(A) title to all coal and other minerals, including oil, gas, and other natural deposits, within the Subject Lands shall remain in the Secretary in trust for the Tribe, as provided in the Act of July 24, 1968 (82 Stat. 424);

(B) the Subject Lands may be used for the purpose of constructing and operating a public high school and related facilities thereon, and for no other purpose;

(C) title to the Subject Lands, free and clear of all liens and encumbrances, shall automatically revert to the Secretary in trust for the Tribe, and the deed shall be of no further force or effect, if, within eight years of the date of the deed, classes have not commenced in a permanent public high school facility established on the Subject Lands, or if such classes commence at the facility within such eight-year period, but the facility subsequently permanently ceases operating as a public high school; and

(D) at any time after the conclusion of the current litigation (including all trial and, if any, appellate proceedings) challenging the November 9, 1993, decision of the Superintendent of Public Instruction for the State of Montana granting the petition to create the School District, and with the prior approval of the Superintendent of Public Instruction ("Superintendent's Approval"), the Tribe shall have the right to replace the deed with a lease covering the Subject Lands issued under the Act of August 9, 1955, as amended (25 U.S.C. 415(a)) having a term of 25 years, with a right to renew for an additional 25 years.

(2) Under the lease referred to in paragraph (1)(D), the Subject Lands shall be leased rent free to the School District for the exclusive purpose of constructing and operating a public high school and related facilities thereon. The lease shall terminate if, within eight years of the date of the deed, classes have not commenced in a permanent public high school facility established on the Subject Lands, or if such classes commence at the facility within such eight-year period, but the facility subsequently permanently ceases operating as a public high school. In the event the Tribe seeks and obtains the Superintendent's Approval, it may tender a lease, signed

by the Tribe and approved by the Secretary, which complies with the provisions of this subsection. Upon such tender, the deed shall be of no further force or effect, and, subject to the leasehold interest offered to the School District, title to the Subject Lands, free and clear of all liens and encumbrances, shall automatically revert to the Secretary in trust for the Tribe. The Tribe may at any time irrevocably relinquish the right provided to it under this subsection by resolution of the Northern Cheyenne Tribal Council explicitly so providing.

(c) EFFECT OF ACCEPTANCE OF DEED.—Upon the School District's acceptance of a deed delivered under this section, the School District, and any party who may subsequently acquire any right, title, or interest of any kind whatsoever in or to the Subject Lands by or through the School District, shall be subject to, be bound by, and comply with all terms and conditions set forth in subparagraphs (A) through (D) of subsection (b)(1).

#### SEC. 11. INDIAN AGRICULTURE AMENDMENT.

(a) LEASING OF INDIAN AGRICULTURAL LANDS.—Section 105 of the American Indian Agriculture Resource Management Act (25 U.S.C. 3701 et seq.) is amended—

(1) in subsection (b)—

(A) by striking "and" at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting "; and"; and

(C) by adding at the end the following:

"(5) shall approve leases and permits of tribally owned agricultural lands at rates determined by the tribal governing body."; and

(2) in subsection (c), by amending paragraph (1) to read as follows: "(1) Nothing in this section shall be construed as limiting or altering the authority or right of an individual allottee or Indian tribe in the legal or beneficial use of his, her, or its own land or to enter into an agricultural lease of the surface interest of his, her, or its allotment or land under any other provision of law."

(b) TRIBAL IMMUNITY.—The American Indian Agriculture Resource Management Act (25 U.S.C. 3701 et seq.) is amended by adding at the end the following:

#### "SEC. 306. TRIBAL IMMUNITY.

"Nothing in this Act shall be construed to affect, modify, diminish, or otherwise impair the sovereign immunity from suit enjoyed by Indian tribes."

#### SEC. 12. INDIAN HEALTH AMENDMENT.

Section 4(n) of the Indian Health Care Improvement Act (25 U.S.C. 1603(n)) is amended to read as follows:

"(n) 'Health profession' means allopathic medicine, family medicine, internal medicine, pediatrics, geriatric medicine, obstetrics and gynecology, podiatric medicine, nursing, public health nursing, dentistry, psychiatry, osteopathy, optometry, pharmacy, psychology, public health, social work, marriage and family therapy, chiropractic medicine, environmental health and engineering, allied health professions, and other health professions."

#### SEC. 13. SAN CARLOS APACHE WATER RIGHTS SETTLEMENT ACT OF 1992.

Section 3711(b)(1) of title XXXVII of the San Carlos Apache Tribe Water Rights Settlement Act of 1992 (106 Stat. 4752) is amended by striking out "December 31, 1994" and inserting in lieu thereof "December 31, 1995".

#### SEC. 14. RELATIONSHIP BETWEEN BUY INDIAN ACT AND MENTOR-PROTEGE PROGRAM.

Section 23 of the Act of June 25, 1910 (36 Stat. 861; 25 U.S.C. 47; commonly referred to as the "Buy Indian Act"), is amended by adding at the end the following: "Participa-

tion in the Mentor-Protégé Program established under section 831 of Public Law 101-510 or receipt of assistance pursuant to any developmental assistance agreement authorized under such program does not render Indian labor or Indian industry ineligible to receive any assistance authorized under this proviso. For the purposes of this proviso, (1) no determination of affiliation or control (either direct or indirect) may be found between a protégé firm and its mentor firm on the basis that the mentor firm has agreed to furnish (or has furnished) to its protégé firm pursuant to a mentor-protégé agreement any form of developmental assistance described in subsection (f) of such section, and (11) the terms 'protégé firm' and 'mentor firm' have the meaning given such terms in subsection (c) of such section 831."

#### SEC. 15. ACQUISITION OF LANDS ON WIND RIVER RESERVATION.

(a) AUTHORITY TO HOLD LANDS IN TRUST FOR THE INDIVIDUAL TRIBE.—The Secretary of the Interior is hereby authorized to acquire individually in the name of the United States in trust for the benefit of the Eastern Shoshone Tribe of the Wind River Reservation or the Northern Arapaho Tribe of the Wind River Reservation, as appropriate, lands or other rights when the individual assets of only one of the tribes is used to acquire such lands or other rights.

(b) LANDS REMAIN PART OF JOINT RESERVATION SUBJECT TO EXCLUSIVE TRIBAL CONTROL.—Any lands acquired under subsection (a) within the exterior boundaries of the Wind River Reservation shall remain a part of the Reservation and subject to the joint tribal laws of the Reservation, except that the lands so acquired shall be subject to the exclusive use and control of the tribe for which such lands were acquired.

(c) INCOME.—The income from lands acquired under subsection (a) shall be credited to the Tribe for which such lands were acquired.

(d) SAVINGS PROVISION.—Nothing in this section shall be construed to prevent the joint acquisition of lands for the benefit of the Eastern Shoshone Tribe of the Wind River Reservation and the Northern Arapaho Tribe of the Wind River Reservation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Mexico [Mr. RICHARDSON] will be recognized for 20 minutes, and the gentleman from Colorado [Mr. ALLARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Mexico [Mr. RICHARDSON].

#### GENERAL LEAVE

Mr. RICHARDSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4709 makes technical changes to several different laws.

The bill provides for the leasing authority for the Indian Pueblo Development Corporation; adds 240 acres to the Grand Ronde Reservation in Oregon

pursuant to an agreement with the Interior Department; it adds land to the Siletz Reservation in Oregon; and it provides for a land transfer for the building of a school on the northern Cheyenne Reservation.

Mr. Speaker, this bill was packaged so that we would not have to do 15 little bills. Suffice it to say that this bill, which contains leasing authorities, land transfers and other minor matters, is important to several tribes across the country including the Ysleta del Sur Pueblo of Texas, the Viejas Reservation in California, the Wind River Reservation in Wyoming, the Gila River Indian Community in Arizona, the Sac and Fox Nation of Oklahoma, the San Carlos Apache of Arizona and the Devil's Lake Sioux Tribe of North Dakota. It also makes minor technical changes to the Indian Agriculture Act and the Indian Health Care Improvement Act.

Mr. Speaker, the bill is non-controversial and is supported by many Members of the House. The bill includes many amendments provided to the committee by the administration.

I urge my colleagues to support this bill.

□ 1400

Mr. ALLARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I fully support H.R. 4709, and I urge my colleagues to do likewise.

Mr. THOMAS of Wyoming. Mr. Speaker, I fully support and am pleased to cosponsor H.R. 4709, a bill to make certain technical amendments to various Indian statutes. We traditionally do one of two of these bills each Congress, as a catch-all for a series of minor amendments to various laws. I am very supportive of grouping these proposed changes into a single piece of legislation; it saves us both time and money.

The bill includes three provisions of import to the State of Wyoming, and the Shoshone and Arapaho Tribes of the Wind River Reservation. First, section 6 reaffirms that funds appropriated in fiscal year 1990 through 1992 for the rehabilitation of the Wind River Irrigation Project [WRIP] are nonreimbursable. Rehabilitation of the WRIP was very important to the tribes, and nontribal users. The irrigation project has deteriorated to the point that it hindered the ability of some irrigators to fully develop their lands. This resulted both in wasted water in a area that has recently suffered a string of dry summers, as well as underused land in an area with almost 60 percent unemployment.

It was the intent of Congress as expressed in various committee reports and floor statements that the appropriated funds would be nonreimbursable in order to avoid the jeopardy into which the system would be placed if forced to pay back the money. Yet the BIA has indicated that it now feels specific legislation is necessary to accomplish that intent. During consideration of the fiscal year 1991 Interior Appropriations Act, Members of the other body discussed the reimbursability issue.

Senator WALLOP, in discussing the matter with Senator BYRD, stated that "the problem is that contrary to our intent, the Bureau of Indian Affairs has determined that the fiscal year 1990 appropriation in the amount of \$1,000,000 is reimbursable and must be paid back. \* \* \* My question is this, is it not true that in response to the request for these funds, the BIA prepared a capability statement in which they in no way indicated that the funds would be reimbursable?" Senator Byrd responded, "Yes, the Senator is correct. The BIA \* \* \* did not indicate that the funds would be reimbursable." Section 6 of H.R. 4709 simply establishes once and for all what our clear intent has always been: That the funds be non-reimbursable.

The second Wyoming-specific section is section 15, which concerns the acquisition of lands on the Wind River Reservation. The Eastern Shoshone and Northern Arapaho Tribes share the Wind River Reservation in central Wyoming. The reservation was established by the Treaty of July 3, 1868, between the Eastern Shoshone Tribe and the United States. In 1878, the Northern Arapaho Tribe was also settled on the reservation. Pursuant to decisions of the Supreme Court, the tribes share an undivided interest in jointly held property. Section 15 will accord the Eastern Shoshone and Northern Arapaho Tribes the same right as other tribes to take fee lands acquired within the reservation into trust in the name of the tribe.

Over the years, each tribe with its own financial resources acquired fee lands within the reservation. Differing economic goals and financial resources over the years have resulted in each tribe acquiring separate parcels of land. Separate acquisition has occurred after the nonpurchasing tribe was given an opportunity to participate in joint acquisition of such lands. When the tribes requested the Department of Interior to place these lands into trust in the name of the individual tribe, they were advised that separately purchased lands could only be taken in trust in the name of both tribes. The Department interpreted provisions of the act of July 27, 1939 to mandate that lands on the Wind River Reservation could only be taken into trust jointly in the name of both tribes.

The 1939 act authorized land exchanges and spending \$1 million of joint tribal funds in order to reacquire fee lands which were located on the then existing reservation. All lands opened to settlement on the reservation, except those within the reclamation project on the reservation and not actually sold were directed to be restored to their original status prior to their opening for settlement. Congress directed that all these reservation lands should be held in trust jointly in the names of both tribes. The congressional direction for taking the land into trust and restoration to complete and equal status with other reservation lands was directly only to the lands covered by the 1939 act. Congress never considered or took action on the issue of lands acquired with funds from an individual tribe.

This bill clarifies that the 1939 act requirement of joint trust status for Wind River Reservation lands applies only to lands held in trust pursuant to the provisions of the 1939 act. The ability to have these lands placed into

trust will provided the tribes with trust protection for their separately acquired lands. The tribes are in agreement that these lands will retain their original reservation status will be subject to joint tribal laws which govern lands within the reservation. Both tribes agree, however, that each individual tribe will retain any income from its separately acquired lands and will control access to such lands.

Finally Mr. Speaker, section 14 of H.R. 4709 would address a concern I have with the Buy Indian Act that was brought to my attention by one of my constituents on behalf of American Eagle Industries [AEI] in Cheyenne. AEI participates in the Department of Defense's Mentor-Protégé Program [MPP]. This program was designed to encourage larger military contractors to take smaller, minority-owned businesses under their wing in order to ensure the latter's greater participation in DOD contracts.

In 1993, AEI successfully bid with the BIA under the Buy Indian Act to perform some road construction work on the Campo Indian Reservation in California. After the contract was signed, however, the Phoenix Area Office of the BIA notified in the Sacramento Area Office that AEI participates in the MPP. For this and other reasons, the Sacramento office disqualified AEI from participation in the Buy Indian Act and terminated the contract "for the convenience of the Government." The cancellation of the contract was a source of significant logistical and financial complications for AEI.

If establishing such a relationship under the MPP would make a firm like AEI ineligible for award set-asides under the Buy Indian Act, such firms would be discouraged from taking advantage of the program, thereby undermining its purpose. This is presumably one principal reason why the MPP specifically bars using the mentor-protégé relationship as the sole basis for finding that the two firms are affiliates for Small Business Act purposes and thus disqualified from SBA participation.

Even though the Buy Indian Act is directly analogous, there is no similar MPP exemption for that act. This section would remedy that oversight by providing that for Buy Indian Act purposes, a firm's participation in the MPP cannot be used as the sole basis to disqualify it from participating in the Buy Indian Act.

Mr. Speaker, while this issue was brought to my attention by a Wyoming firm, this problem could effect Indian-owned businesses in any State in the country. I hope that H.R. 4709 will preclude that from happening.

Mr. Speaker, I thank Chairman RICHARDSON for his cooperation in moving this bill to the floor today, and look forward to its swift consideration and passage by the other body.

Mr. ALLARD. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico [Mr. RICHARDSON] that the House suspend the rules and pass the bill, H.R. 4709, as amended.

The question was taken; and (two-thirds having voted in favor thereof)

the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

### TRIBAL SELF-GOVERNANCE ACT OF 1994

Mr. RICHARDSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3508) to provide for tribal self-governance, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3508

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Tribal Self-Governance Act of 1994".

#### SEC. 2. FINDINGS.

Congress finds that—

(1) the tribal right of self-government flows from the inherent sovereignty of Indian tribes and nations;

(2) the United States recognizes a special government-to-government relationship with Indian tribes, including the right of the tribes to self-governance, as reflected in the Constitution, treaties, Federal statutes, and the course of dealings of the United States with Indian tribes;

(3) although progress has been made, the Federal bureaucracy, with its centralized rules and regulations, has eroded tribal self-governance and dominates tribal affairs;

(4) the Tribal Self-Governance Demonstration Project was designed to improve and perpetuate the government-to-government relationship between Indian tribes and the United States and to strengthen tribal control over Federal funding and program management; and

(5) Congress has reviewed the results of the Tribal Self-Governance Demonstration Project and finds that—

(A) transferring control to tribal governments, upon tribal request, over funding and decisionmaking for Federal programs, services, functions, and activities intended to benefit Indians is an effective way to implement the Federal policy of government-to-government relations with Indian tribes; and

(B) transferring control to tribal governments, upon tribal request, over funding and decisionmaking for Federal programs, services, functions, and activities strengthens the Federal policy of Indian self-determination.

#### SEC. 3. DECLARATION OF POLICY.

It is the policy of this Act to permanently establish and implement tribal self-governance—

(1) to enable the United States to maintain and improve its unique and continuing relationship with, and responsibility to, Indian tribes;

(2) to permit each Indian tribe to choose the extent of the participation of such tribe in self-governance;

(3) to coexist with the provisions of the Indian Self-Determination Act relating to the provision of Indian services by designated Federal agencies;

(4) to ensure the continuation of the trust responsibility of the United States to Indian tribes and Indian individuals;

(5) to permit an orderly transition from Federal domination of programs and services to provide Indian tribes with meaningful au-

thority to plan, conduct, redesign, and administer programs, services, functions, and activities that meet the needs of the individual tribal communities; and

(6) to provide for an orderly transition through a planned and measurable parallel reduction in the Federal bureaucracy.

#### SEC. 4. TRIBAL SELF-GOVERNANCE.

The Indian Self-Determination and Education Assistance Act is amended by adding at the end the following new title:

##### "TITLE IV—TRIBAL SELF-GOVERNANCE

###### "SEC. 401. ESTABLISHMENT.

"The Secretary of the Interior (hereinafter in this title referred to as the 'Secretary') shall establish and carry out a program within the Department of the Interior to be known as Tribal Self-Governance (hereinafter in this title referred to as 'Self-Governance') in accordance with this title.

###### "SEC. 402. SELECTION OF PARTICIPATING INDIAN TRIBES.

"(a) CONTINUING PARTICIPATION.—Each Indian tribe that is participating in the Tribal Self-Governance Demonstration Project at the Department of the Interior under title III on the date of enactment of this title shall thereafter participate in Self-Governance under this title and cease participation in the Tribal Self-Governance Demonstration Project under title III with respect to the Department of the Interior.

"(b) ADDITIONAL PARTICIPANTS.—(1) In addition to those Indian tribes participating in Self-Governance under subsection (a), the Secretary, acting through the Director of the Office of Self-Governance, may select up to 20 new tribes per year from the applicant pool described in subsection (c) to participate in Self-Governance.

"(2) If each tribe requests, two or more otherwise eligible Indian tribes may be treated as a single Indian tribe for the purpose of participating in Self-Governance as a consortium.

"(c) APPLICANT POOL.—The qualified applicant pool for Self-Governance shall consist of each tribe that—

"(1) successfully completes the planning phase described in subsection (d);

"(2) has requested participation in Self-Governance by resolution or other official action by the tribal governing body; and

"(3) has demonstrated, for the previous three fiscal years, financial stability and financial management capability as evidenced by the tribe having no material audit exceptions in the required annual audit of the self-determination contracts of the tribe.

"(d) PLANNING PHASE.—Each Indian tribe seeking to begin participation in Self-Governance shall complete a planning phase in accordance with this subsection. The tribe shall be eligible for a grant to plan and negotiate participation in Self-Governance. The planning phase shall include—

"(1) legal and budgetary research; and

"(2) internal tribal government planning and organizational preparation.

###### "SEC. 403. FUNDING AGREEMENTS.

"(a) AUTHORIZATION.—The Secretary shall negotiate and enter into an annual written funding agreement with the governing body of each participating tribal government.

"(b) CONTENTS.—Each funding agreement shall—

"(1) authorize the tribe to plan, conduct, consolidate, and administer programs, services, functions, and activities, or portions thereof, administered by the Department of the Interior that are otherwise available to Indian tribes or Indians, without regard to the agency or office of the Department of the

Interior within which it is performed, including (but not limited to) those administered under the authority of—

"(A) the Act of April 16, 1934 (25 U.S.C. 452 et seq.);

"(B) the Act of November 2, 1921 (25 U.S.C. 13); and

"(C) programs, services, functions, and activities or portions thereof administered by the Secretary of the Interior that are otherwise available to Indian tribes or Indians for which appropriations are made to agencies other than the Department of the Interior;

"(2) subject to the terms of the agreement, authorize the tribe to redesign or consolidate programs, services, functions, and activities, or portions thereof, and to reallocate funds for such programs, services, functions, or activities, or portions thereof;

"(3) prohibit the inclusion of funds provided—

"(A) pursuant to the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801 et seq.);

"(B) for elementary and secondary schools under the formula developed pursuant to section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008); and

"(C) the Flathead Agency Irrigation Division or the Flathead Agency Power Division, except that nothing in this section shall affect the contract authority of such divisions under section 102;

"(4) specify the services to be provided, the functions to be performed, and the responsibilities of the tribe and the Secretary pursuant to the agreement;

"(5) authorize the tribe and the Secretary to reallocate funds or modify budget allocations within any year, and specify the procedures to be used;

"(6) allow for retrocession of programs or portions of programs pursuant to section 105(e);

"(7) provide that, for the year for which, and to the extent to which, funding is provided to a tribe under this section, the tribe—

"(A) shall not be entitled to contract with the Secretary for such funds under section 102, except that such tribe shall be eligible for new programs on the same basis as other tribes; and

"(B) shall be responsible for the administration of programs, services, functions, and activities pursuant to agreements entered into under this section; and

"(8) prohibit the Secretary from waiving, modifying, or diminishing in any way the trust responsibility of the United States with respect to Indian tribes and individual Indians that exists under treaties, Executive orders, and other laws.

"(c) ADDITIONAL ACTIVITIES.—Each funding agreement negotiated pursuant to subsections (a) and (b) may, in accordance to such additional terms as the parties deem appropriate, also include other programs, services, functions, and activities, or portions thereof, administered by the Secretary of the Interior which are of special geographic, historical, or cultural significance to the participating Indian tribe requesting a compact.

"(d) PROVISIONS RELATING TO THE SECRETARY.—Funding agreements negotiated between the Secretary and an Indian tribe shall include provisions—

"(1) to monitor the performance of trust functions by the tribe through the annual trust evaluation; and

"(2) for the Secretary to reassume a program, service, function, or activity, or portions thereof, if there is a finding of imminent jeopardy to a physical trust asset.

"(e) CONSTRUCTION PROJECTS.—(1) Regarding construction programs or projects, the Secretary and Indian tribes may negotiate for the inclusion of specific provisions of the Office of Federal Procurement and Policy Act and Federal acquisition regulations in any funding agreement entered into under this Act. Absent a negotiated agreement, such provisions and regulatory requirements shall not apply.

"(2) In all construction projects performed pursuant to this title, the Secretary shall ensure that proper health and safety standards are provided for in the funding agreements.

"(f) SUBMISSION FOR REVIEW.—Not later than 90 days before the proposed effective date of an agreement entered into under this section, the Secretary shall submit a copy of such agreement to—

"(1) each Indian tribe that is served by the Agency that is serving the tribe that is a party to the funding agreement;

"(2) the Committee on Indian Affairs of the Senate; and

"(3) the Subcommittee on Native American Affairs of the Committee on Natural Resources of the House of Representatives.

"(g) PAYMENT.—(1) At the request of the governing body of the tribe and under the terms of an agreement entered into under this section, the Secretary shall provide funding to the tribe to carry out the agreement.

"(2) The funding agreements authorized by this title and title III of this Act shall provide for advance payments to the tribes in the form of annual or semi-annual installments at the discretion of the tribes.

"(3) Subject to paragraph (3) of this subsection and paragraphs (1) and (3) of subsection (b), the Secretary shall provide funds to the tribe under an agreement under this title for programs, services, functions, and activities, or portions thereof, in an amount equal to the amount that the tribe would have been eligible to receive under contracts and grants under this Act, including amounts for direct program and contract support costs and, in addition, any funds that are specifically or functionally related to the provision by the Secretary of services and benefits to the tribe or its members, without regard to the organization level within the Department where such functions are carried out.

"(4) Funds for trust services to individual Indians shall be available under an agreement entered into under this section only to the extent that the same services that would have been provided by the Secretary are provided to individual Indians by the tribe.

"(h) CIVIL ACTIONS.—(1) Except as provided in paragraph (2), for the purposes of section 110, the term 'contract' shall include agreements entered into under this title.

"(2) For the period that an agreement entered into under this title is in effect, the provisions of section 2103 of the Revised Statutes of the United States (25 U.S.C. 81), and section 16 of the Act of June 18, 1934 (25 U.S.C. 476), shall not apply to attorney and other professional contracts by Indian tribal governments participating in Self-Governance under this title.

"(i) FACILITATION.—(1) Except as otherwise provided by law, the Secretary shall interpret each Federal law and regulation in a manner that will facilitate—

"(A) the inclusion of programs, services, functions, and activities in the agreements entered into under this section; and

"(B) the implementation of agreements entered into under this section.

"(2)(A) A tribe may submit a written request for a waiver to the Secretary identifying the regulation sought to be waived and the basis for the request.

"(B) Not later than 60 days after receipt by the Secretary of a written request by a tribe to waive application of a Federal regulation for an agreement entered into under this section, the Secretary shall either approve or deny the requested waiver in writing to the tribe. A denial may be made only upon a specific finding by the Secretary that identified language in the regulation may not be waived because that regulation is expressly required by Federal law. The Secretary's decision shall be final for the Department.

"(j) FUNDS.—All funds provided under funding agreements entered into pursuant to this Act, and all funds provided under contracts or grants made pursuant to this Act, shall be treated as non-Federal funds for purposes of meeting matching requirements under any other Federal law.

#### "SEC. 404. BUDGET REQUEST.

"The Secretary shall identify, in the annual budget request of the President to the Congress under section 1105 of title 31, United States Code, any funds proposed to be included in agreements authorized under this title.

#### "SEC. 405. REPORTS.

"(a) REQUIREMENT.—The Secretary shall submit to Congress a written report on January 1 of each year following the date of enactment of this title regarding the administration of this title.

"(b) CONTENTS.—The report shall—

"(1) identify the relative costs and benefits of Self-Governance;

"(2) identify, with particularity, all funds that are specifically or functionally related to the provision by the Secretary of services and benefits to Self-Governance tribes and their members;

"(3) identify the funds transferred to each Self-Governance tribe and the corresponding reduction in the Federal bureaucracy;

"(4) include the separate views of the tribes; and

"(5) the funding formula for individual tribal shares of Central Office funds, together with the comments of affected Indian tribes, developed under subsection (d).

"(c) REPORT ON NON-BIA PROGRAMS.—

"(1) In order to optimize opportunities for including non-Bureau of Indian Affairs programs for compacts under section 403(b)(1) and special programs under section 403(c) in agreements tribes participating in Self-Governance under this title, the Secretary—

"(A) shall review all programs, services, and functions administered by the Department of the Interior, other than the Bureau of Indian Affairs, without regard to the agency or office concerned, and

"(B) within 90 days after the enactment of this title, provide to the appropriate committees of the Congress a listing of all such programs, services, functions, and activities, or portions thereof, which the Secretary determines are eligible for inclusion in such agreements at the request of a participating Indian tribe.

"(2) The Secretary shall establish programmatic targets, after consultation with tribes participating in Self-Governance under this title, to encourage bureaus of the Department to assure that a significant portion of such programs, services, functions, and activities are actually included in the agreements negotiated under section 403.

"(3) The listing and targets under paragraphs (1) and (2) shall be published in the Federal Register and be made available to

any Indian tribe participating in Self-Governance under this title. The list shall be published before January 1, 1995, and annually thereafter by January 1 preceding the fiscal year in which the targets are to be met.

"(4) Thereafter, the Secretary shall annually review and publish in the Federal Register, after consultation with tribes participating in Self-Governance under this title, a revised listing and programmatic targets.

"(d) REPORT ON CENTRAL OFFICE FUNDS.—Within 90 days after the date of the enactment of this title, the Secretary shall, in consultation with Indian tribes, develop a funding formula to determine the individual tribal share of funds controlled by the Central Office of the Bureau of Indian Affairs for inclusion in the Self-Governance compacts. The Secretary shall include such formula in the annual report submitted to the Congress under subsection (b), together with the views of the affected Indian tribes.

#### "SEC. 406. DISCLAIMERS.

"(a) OTHER SERVICES, CONTRACTS, AND FUNDS.—Nothing in this title shall be construed to limit or reduce in any way the services, contracts, or funds that any other Indian tribe or tribal organization is eligible to receive under section 102 or any other applicable Federal law.

"(b) FEDERAL TRUST RESPONSIBILITIES.—Nothing in this Act shall be construed to diminish the Federal trust responsibility to Indian tribes, individual Indians, or Indians with trust allotments.

"(c) APPLICATION OF OTHER SECTIONS OF ACT.—All provisions of sections 6, 102(c), 104, 105(f), 110, and 111 of this Act shall apply to agreements provided under this title.

#### "SEC. 407. REGULATIONS.

"(a) IN GENERAL.—Not later than 90 days after the date of enactment of this title, at the request of a majority of the Indian tribes with agreements under of this title, the Secretary shall initiate procedures under subchapter III of chapter 5 of title 5, United States Code, to negotiate and promulgate such regulations as are necessary to carry out this title.

"(b) COMMITTEE.—A negotiated rulemaking committee established pursuant to section 565 of title 5, United States Code, to carry out this section shall have as its members only Federal and tribal government representatives, a majority of whom shall be representatives of Indian tribes with agreements under this title.

"(c) ADAPTATION OF PROCEDURES.—The Secretary shall adapt the negotiated rulemaking procedures to the unique context of Self-Governance and the government-to-government relationship between the United States and the Indian tribes.

"(d) EFFECT.—The lack of promulgated regulations shall not limit the effect of this title.

#### "SEC. 408. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary to carry out this title."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Mexico [Mr. RICHARDSON] will be recognized for 20 minutes, and the gentleman from Colorado [Mr. ALLARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Mexico [Mr. RICHARDSON].

GENERAL LEAVE

Mr. RICHARDSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within

which to revise and extend their remarks on H.R. 3508.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I have the honor of bringing a measure before this body, which may well be one of the most important pieces of legislation impacting Indian tribes and Indian people in many years.

The bill before the House today reflects agreements which were reached with the other body. It includes recommendations from the administration and the Indian tribes. The bill is a compromise which I firmly believe respects the recommendations and needs of the Indian nations and the Secretary of the Interior.

Mr. Speaker, tribal self-governance has been a demonstration project since 1988. Under the project, Indian tribes enter into compacts directly with the Secretary of the Interior to carry out Interior Department functions on reservations. The demonstration has been an overwhelming success. This bill makes tribal self-governance permanent.

There has been much confusion and some misinformation circulating lately over what this project is about. Let me set the record straight on this. This project does not mean that Indian tribes will take over the Washington Monument or the Gettysburg Battlefield. This project does not mean that Indians are free to raid the Interior Department budget. This project does not mean that the Secretary can waive tax laws or regulations for Indian tribes. This project does not mean the Secretary is cutting off his trust responsibilities to individual Indians with allotments.

What the bill does mean is that Indian tribes who voluntarily elect to participate in self-governance will sit down with the Secretary of the Interior and negotiate agreements on a government to government basis. If the tribe over-reaches and requests to negotiate for program or functions which have no relevance to Indian affairs, the Secretary can simply say "no."

There is an irrational fear in the Interior Department that tribes will get too much money under this program. Trust me on this, if that happens it will be a first in American history. Such allegations are based on ignorance or a lack of understanding of the Secretary's pervasive discretion which is intended under this bill. However, it is also this bill's intention that the negotiations be just that—bilateral government-to-government negotiations.

A more realistic fear is that there will be downsizing at the Bureau of Indian Affairs. This will happen under

this project. Indeed, the goal of this bill is to channel the resources currently being chewed up by lazy Agency bureaucrats, mindless area office paper shufflers, and central office lackeys in the BIA—these funds will be channeled to the Indian tribes who will put these resources to the highest and best use.

Mr. Speaker, some new provisions were added to the bill. The first requires non-BIA agencies in Interior to list the programs that are available to Indian tribes. The second requires the Secretary to ascertain the level of central office funding which each tribe will receive under the program. These provisions were included to guarantee compliance by the Department of Interior which has been reluctant to cooperate with tribes under Indian self-determination and tribal self-governance.

Mr. Speaker, today let the word go forth that a new Bureau of Indian Affairs will result from this bill. It will be leaner and hopefully more efficient. More importantly, today the Indian nations take a giant step forward. Tribes have been building capacity to take control of their own destinies for decades. Let us usher in the era of tribal self-governance with respect for tribal sovereignty, a recognition of Indian self-determination, and a great hope that today we are laying the foundation for a better Federal Indian policy.

I urge my colleagues to support this important measure.

Mr. ALLARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we fully support H.R. 3508.

Mr. THOMAS of Wyoming. Mr. Speaker, I believe my strong support for tribal self-determination is well-known, so I will keep my statement to a minimum.

I fully support H.R. 3508. It is an important step toward giving the tribes more control, flexibility, and decision-making authority over federal programs and financial resources. I have long been convinced that it is the individual tribal government, and not some bureaucrat in Washington with his or her own agenda, that is in the best position to know the needs of the tribe and how best to meet those needs. It is my hope that in this same vein we will also bring H.R. 4842 to the floor soon.

Mr. ALLARD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to state that none of these very positive initiatives would have been possible had we not had a chairman on the Committee on Natural Resources like the gentleman from California [Mr. MILLER], who has not only shown leadership on natural resources issues but has shown leadership on native American issues. Let me acknowledge again his outstanding contributions to this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico [Mr. RICHARDSON] that the House suspend the rules and pass the bill, H.R. 3508, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### THE HOUSE SHOULD PASS THE CRIME BILL

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, again, as my colleagues know, this is going to be a very important week for the House of Representatives, because the crime bill is going to be coming up again.

Mr. Speaker, I know that many of my colleagues have had a very difficult weekend, regardless of how they voted. The right vote on the rule which will be coming up is aye. What we want to make sure of is that all our colleagues recognize the importance of this issue to the American people.

Very strong punishment provisions are in this legislation. There are very strong provisions that will add community policing around the country, 100,000 new cops.

Most importantly, there are very important provisions that deal with more prevention funds, to make sure our young people do not take to the streets, that they are active in many positive directions, to ensure that this crime bill is a bill that many of us can support.

Mr. Speaker, I would like to again stress that the prevention funds in this bill are not excessive. They are important prevention funds. Some on the other side have alleged that what we have here is more money spent on prevention funds than in the actual bill that passed the House a month ago. That is not the case.

□ 1410

There are less prevention funds in the conference report. What did increase, and I would not call it a social program, is one that deals with violence against women, programs to combat violence against women that have largely come into focus with the death of Nicole Simpson. So what I think has happened over the weekend is that an enormous amount of attention has come forth on the House of Representatives for that very unfortunate vote that took place. The President has rightly gone to the country and has exhorted us to make sure we correct our differences.

Mr. Speaker, I would like to acknowledge the fact that we have an important crime bill that needs to be

voted on. We cannot possibly go home to our States and our districts without having passed a crime bill. It is critically important that on Thursday, when this vote takes place, that we vote strongly for a bill that is extremely important to the American people.

Mr. Speaker, I would like to once again stress to my colleagues that this crime bill, passing the rule, is probably the utmost priority that this body has in this session of Congress. We have got the health care issue. That is extremely important. But unquestionably, the American people would like us as much as possible, before we go home, to pass a strong crime bill that contains these components of more cops, that contains these components of more prevention funds, that contains this important component of more punishment provisions.

#### MORE ON THE CRIME BILL

Ms. PELOSI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore (Mr. TRAFICANT). Is there objection to the request of the gentlewoman from California?

Mr. DOOLITTLE. Mr. Speaker, reserving the right to object, we can get up here and give our 1-minute on why the crime bill is a terrible bill for the people of this country, why it increases the national debt while doing little to fight crime. We can do these rhetorical flourishes, too.

I thought we were here for the purpose of dealing with suspensions, no discourtesy to the gentlewoman from California, only that she happened to be the unfortunate victim when I got up to object to this. That is my concern, Mr. Speaker.

The SPEAKER pro tempore. The Chair would inform the gentleman that we are proceeding, waiting for suspensions. If he is on his feet in a timely manner the gentleman could be recognized as well.

Without objection, the gentlewoman from California [Ms. PELOSI] is recognized for 1 minute.

There was no objection.

Ms. PELOSI. Mr. Speaker, I rise for two purposes, one is following up on what our colleague from New Mexico was talking about in terms of the crime bill. I particularly wanted to address the issue of midnight basketball.

Mr. Speaker, I acknowledge the gentleman's concern about regular order, and I do not consider myself an unfortunate victim of his reservation in terms of my unanimous-consent request. But I did want to say, because my minute is fast going by, that in our community, midnight basketball is a giant plus.

In the western division, at the Illhutch Community Center, young

people who have some disadvantages in their lives see this as something to say yes. In the Mission District of San Francisco, we have experimented with a successful demonstration of the effectiveness of midnight basketball. So I hope that it will not be trivialized, that Members will not take the matter lightly. It is an important part of saying yes and having the crime bill mean something directly to the lives of these young people in our streets who, as I said before, need something to say yes to.

#### ANOTHER VIEW ON THE CRIME BILL

Mr. DOOLITTLE. Mr. Speaker, I ask unanimous consent to address the house for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Ms. PELOSI. Mr. Speaker, reserving the right to object, I am going to remove my reservation as a courtesy to the gentleman and look forward to hearing his 1-minute.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the gentleman from California?

There was no objection.

Mr. DOOLITTLE. Mr. Speaker, just to offer the other point of view on this very interesting subject, we have had phone calls pouring into our office. As far as I can tell there is no organized effort to cause this to happen. Yet they are running 10 to 15 to 1 against the crime bill. People really are clearly understanding that this is just a typical pork barrel type of approach using the politics that have failed to stem the 300-percent increase in the overall crime rate since 1960, during which time we had an 800-percent increase in social welfare spending.

Here is a bill that comes along with programs for midnight basketball, arts and crafts, dance lessons and projects of various kinds, good old-fashion pork.

People are just tired of it. They do not want that. They want a lean, mean crime bill, more prisons, more cops on the streets, habeas corpus reform which is completely missing from the bill, which will expedite the death penalty appeals. That is the type of criminal justice reform the people of my district are seeking.

I would like just to indicate that this bill that was rejected on the rule last week does not meet those criteria. It should have been rejected, and it will be rejected again unless it is changed.

#### WORLD AIDS CONFERENCE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Ms. PELOSI. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Speaker, last week the world's AIDS conference was held in Japan. As Members may have noticed from the press, at that meeting there was some medium news, not good, and some discouraging news.

I call the attention of my colleagues to that meeting because the statistics that came from the meeting were discouraging in terms of the spread of AIDS through Asia. In India, the number of AIDS cases will be the largest in the world in a very short period of time. The prospects for a cure or for a vaccine are limited. Therefore, it makes prevention an absolute must, not only a must but a moral responsibility.

I also note that in the past few months we saw a meeting of the G-7. It has been on the agenda of some of us in the Congress to get AIDS on the agenda of the G-7 meetings. It seems to me logical that if the largest economic powers, industrialized countries in the world come together to meet about the future of the world, the economy of the world, that they must take into consideration what AIDS is doing to certain economies throughout the world and what it will do.

So I call again, enlist the support of my colleagues to call upon the administration to put AIDS on the agenda of the next G-7 summit.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 5 p.m.

Accordingly (at 2 o'clock and 19 minutes p.m.) the House stood in recess until 5 p.m.

□ 1703

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. COLEMAN) at 5 o'clock and 3 minutes p.m.

#### REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 2182, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103-705) on the resolution (H. Res. 521) waiving points of order against the conference report to accompany the Senate bill (S. 2182) to authorize appropriations for fiscal year 1995 for military activities of the Department of Defense, for military construction, and for defense programs of

the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, which was referred to the House Calendar and ordered to be printed.

**APPOINTMENT OF CONFEREES ON H.R. 4539, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1995**

Mr. HOYER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4539) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1995, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. LIGHTFOOT

Mr. LIGHTFOOT. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. LIGHTFOOT moves that the managers on the part of the House, at the conference of the disagreeing votes on the bill, H.R. 4539, be instructed to insist on disagreement to provisions contained in any Senate amendment regarding the imposition of new or increased user fees, collections or taxes which may be established by the Secretary of the Treasury and which are authorized by law, to insist on disagreement to the amendment to the last proviso set forth in Senate amendment numbered 16, to insist on disagreement to the Senate amendment numbered 26, and to insist on disagreement to the Senate amendment numbered 29.

Mr. LIGHTFOOT (during the reading). Mr. Speaker, I ask unanimous consent that the motion to instruct be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. LIGHTFOOT] will be recognized for 30 minutes, and the gentleman from Maryland [Mr. HOYER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have a motion to instruct conferees on items which have been considered by the subcommittee, the full Committee on Appropriations, and the House. I think the motion is very straightforward. It instructs conferees to reject new user fees proposed

by the Treasury Department. Our subcommittee chose to reject the proposed user fees, totaling some \$258 million. They include: a \$20 fee for tax filers entering into an installment agreement with IRS to pay taxes owed over time; A \$12 fee charged to those persons who request photocopies of tax returns from the IRS; an \$8 fee imposed to transmitters of electronic returns; and an increase in the merchandise processing fee and the special occupational tax assessed by the Customs Service and the Bureau of Alcohol, Tobacco and Firearms.

Frankly, many of us feel more user fees are not the answer—they are, quite simply, a roundabout way to increase taxes.

The Senate, however, has included language permitting Treasury to retain the proposed user fees if they are increased. While the language doesn't authorize any new fees, it gives the IRS clear incentive to raise and implement fees on taxpayers.

I would ask Members of the House to insist on the House position, rejecting new taxes and user fees. The Senate language encourages the IRS to boost fees for the activities I described a moment ago.

As I stated earlier, in my view user fees are just a back-door tax increase. Any time the Federal Government levies fees for services which are mandated, we are simply increasing taxes.

Let me point out a couple of other problems I have with the proposed fee increases. First of all, in imposing a fee on taxpayers for obtaining copies of their tax returns, I believe it is patently unfair to charge individuals for services mandated by the government—that is, in my view, an unfunded mandate. We are pretty good at that around here. Generally, taxpayers are requesting copies of their back returns because they must revise them or defend themselves in an audit—a government-induced action.

Mr. Speaker, I was also dismayed to learn the IRS has just announced that, effective October 1, 1994, the charge for furnishing copies of tax returns and related documents will increase by 300 percent—from \$4.25 to \$14. I have a hard time believing the \$14 reflects the true cost to the IRS of providing the copy. Interestingly enough, the President had announced in his budget proposal that this fee would be increased to only \$12. I would like to know why this figure has now been increased even further.

With respect to another of the proposed fees, the fee charged to those who file electronically, I am a little baffled by the proposal. The IRS is currently working to modernize its information systems, and has indicated there will be great savings down the road and fewer IRS errors as more taxpayers begin to file electronically. This proposed fee flies in the face of the IRS

effort to increase electronic filing. Most members of the Ways and Means Committee would agree tax policy should encourage beneficial types of behavior, rather than have the opposite effect. It seems to me this proposed fee would discourage electronic filing, thereby reducing savings in the out-years to the IRS.

Finally, Mr. Speaker, let me say I have signed a pledge, as have many of my colleagues, to oppose any tax increases and I intend to continue doing so.

Mr. Speaker, the House rejected the fees requested by the President. The conferees should stick to their original position and reject these fees. They are opposed by the authorizing committees, and this opposition has been reflected in a letter signed by Mr. GIBBONS and Mr. PICKLE and received by the Treasury, Postal Subcommittee on July 25, 1994.

I believe there is no need to increase taxes to support additional spending. Reject these new taxes and vote aye on the motion to instruct conferees, and stay with the House position.

Mr. Speaker, I reserve the balance of my time.

□ 1710

Mr. HOYER. Mr. Speaker, I thank the gentleman for his comments.

Although I am generally opposed to instructing conferees and would prefer that the conferees be free to make those decisions which can best be made and bring about reasonable compromise between the House and the Senate, I understand the gentleman's strong opposition to the imposition of fees, and as all Members know and as he has stated, the Subcommittee on Treasury Postal Service-General Government and the House did not include these fees as a part of its proposal to the House which the House passed. In point of fact, we believe at the fees should not be incorporated in this bill. Therefore, although I oppose generally the concept of instructing conferees, I do not intend to oppose the gentleman's motion at this time.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LIGHTFOOT. Mr. Speaker, I appreciate the comments of the chairman, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. COLEMAN). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct conferees offered by the gentleman from Iowa [Mr. LIGHTFOOT].

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. HOYER, VISCLOSKEY, DARDEN, OLIVER, BEVILL, SABO, OBEY, LIGHTFOOT, WOLF, ISTOOK, and MCDADE.

There was no objection.

**PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4603, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1995, AND SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1994**

Mr. HOYER. Mr. Speaker, on behalf of the gentleman from West Virginia [Mr. MOLLOHAN], I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 4603) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies programs for the fiscal year ending September 30, 1995, and making supplemental appropriations for these departments and agencies for the fiscal year ending September 30, 1994, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

**ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE**

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 2947, by the yeas and nays; and H.R. 4867, by the yeas and nays.

**CONCURRING IN SENATE AMENDMENTS TO H.R. 2947, COMMEMORATIVE WORKS ACT AMENDMENTS**

The SPEAKER pro tempore. The pending business is the question of suspending the rules and concurring in the Senate amendments to the bill, H.R. 2947.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 2947, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 378, nays 0, not voting 56, as follows:

[Roll No. 397]

YEAS—378

Abercrombie	Ehlers	Kolbe
Ackerman	Emerson	Kopetski
Allard	Engel	Kreidler
Andrews (ME)	English	Kyl
Andrews (NJ)	Eshoo	LaFalce
Andrews (TX)	Evans	Lambert
Applegate	Everett	Lancaster
Archer	Ewing	LaRocco
Armey	Farr	Laughlin
Bacchus (FL)	Fawell	Lazio
Bacchus (AL)	Fazio	Leach
Baesler	Fields (LA)	Lehman
Baker (LA)	Fields (TX)	Levin
Ballenger	Flner	Levy
Barca	Fingerhut	Lewis (CA)
Barcia	Fish	Lewis (FL)
Barlow	Ford (MI)	Lewis (GA)
Barrett (NE)	Ford (TN)	Lewis (KY)
Barrett (WI)	Fowler	Lightfoot
Bartlett	Frank (MA)	Linder
Barton	Frank (CT)	Lipinski
Bateman	Frank (NJ)	Livingston
Bellenson	Frost	Lloyd
Bentley	Furse	Long
Bereuter	Galleghy	Lowe
Berman	Gekas	Lucas
Bevill	Gephardt	Maloney
Bilbray	Geren	Mann
Bishop	Gibbons	Manton
Billey	Gilchrest	Manzullo
Blute	Gillmor	Margolies-
Boehlert	Gilman	Mezvinsky
Bonilla	Gingrich	Markey
Bonior	Glickman	Martinez
Boucher	Goodling	Matsui
Brewster	Goss	Mazzoli
Brooks	Grandy	McCandless
Browder	Green	McCloskey
Brown (CA)	Greenwood	McCrery
Brown (OH)	Gunderson	McDermott
Bryant	Gutierrez	McHale
Bunning	Hall (OH)	McHugh
Burton	Hall (TX)	McInnis
Buyer	Hamburg	McKinney
Byrne	Hamilton	McNulty
Callahan	Hancock	Meek
Calvert	Hansen	Meyers
Camp	Hastert	Mfume
Canady	Hastings	Mica
Cantwell	Hayes	Miller (CA)
Cardin	Hefley	Miller (FL)
Carr	Hefner	Mineta
Castle	Heger	Minge
Chapman	Hilliard	Mink
Clay	Hinche	Moakley
Clayton	Hoagland	Molinar
Clinger	Hobson	Mollohan
Clyburn	Hochbrueckner	Moorhead
Coble	Hoekstra	Morella
Coleman	Holden	Murphy
Collins (IL)	Horn	Murtha
Collins (MI)	Houghton	Myers
Combest	Hoyer	Neal (MA)
Condit	Hughes	Neal (NC)
Conyers	Hutchinson	Nussle
Coppersmith	Hutto	Oberstar
Costello	Hyde	Obey
Cox	Inglis	Oliver
Coyne	Inhofe	Ortiz
Crapo	Inslee	Orton
Cunningham	Istook	Owens
Danner	Jacobs	Oxley
Darden	Jefferson	Packard
de la Garza	Johnson (CT)	Pallone
Deal	Johnson (GA)	Parker
DeFazio	Johnson (SD)	Pastor
DeLauro	Johnson, E.B.	Paxon
DeLay	Johnson, Sam	Payne (NJ)
Dellums	Johnston	Payne (VA)
Derrick	Kanjorski	Pelosi
Deutsch	Kaptur	Penny
Diaz-Balart	Kasich	Peterson (FL)
Dickey	Kennedy	Peterson (MN)
Dicks	Kennelly	Petri
Dingell	Kildee	Pickett
Dixon	Klim	Pickle
Dooley	King	Pombo
Doolittle	Kingston	Pomeroy
Dornan	Klecza	Porter
Duncan	Klein	Portman
Dunn	Klink	Poshard
Durbin	Klug	Price (NC)
Edwards (TX)	Knollenberg	Pryce (OH)

Quillen	Sharp	Thompson
Quinn	Shaw	Thornton
Rahall	Shays	Thurman
Ramstad	Shepherd	Torkildsen
Rangel	Shuster	Torres
Ravenel	Sisisky	Torricelli
Reed	Skaggs	Towns
Regula	Skeen	Trafcant
Richardson	Skelton	Tucker
Roberts	Slaughter	Unsoeld
Roemer	Smith (IA)	Upton
Rogers	Smith (MI)	Valentine
Rohrabacher	Smith (NJ)	Velazquez
Ros-Lehtinen	Smith (OR)	Vento
Rose	Snowe	Volkmmer
Rostenkowski	Solomon	Vucanovich
Roth	Spence	Walker
Roukema	Spratt	Walsh
Rowland	Stark	Watt
Roybal-Allard	Stearns	Waxman
Royce	Stenholm	Weldon
Sabo	Stokes	Wheat
Sanders	Strickland	Williams
Sangmeister	Studds	Wilson
Sarpallus	Stump	Wolf
Sawyer	Stupak	Wyden
Saxton	Swett	Wynn
Schenk	Synar	Yates
Schiff	Talent	Young (AK)
Schroeder	Tanner	Young (FL)
Schumer	Tauzin	Zeliff
Scott	Taylor (NC)	Zimmer
Sensenbrenner	Tejeda	
Serrano	Thomas (CA)	

**NOT VOTING—56**

Baker (CA)	Goodlatte	Nadler
Becerra	Gordon	Reynolds
Bilirakis	Grams	Ridge
Blackwell	Harman	Rush
Boehner	Hoke	Santorum
Borski	Huffington	Schaefer
Brown (FL)	Hunter	Slatery
Clement	Lantos	Smith (TX)
Collins (GA)	Machtley	Sundquist
Cooper	McCollum	Swift
Cramer	McCurdy	Taylor (MS)
Crane	McDade	Thomas (WY)
Dreier	McKeon	Visclosky
Edwards (CA)	McMillan	Washington
Flake	Meehan	Waters
Foglietta	Menendez	Whitten
Gallo	Michel	Wise
Gejdenson	Montgomery	Woolsey
Gonzalez	Moran	

□ 1734

Mr. KLINK and Mr. HANCOCK changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

**PERSONAL EXPLANATION**

Ms. WATERS. Mr. Speaker, I was unavoidably detained on rollcall No. 397, H.R. 2947. Had I been present, I would have voted "yea."

**PERSONAL EXPLANATION**

Mr. MORAN. Mr. Speaker, during rollcall vote No. 397 on H.R. 2947 I was unavoidably detained. Had I been present I would have voted "yea."

**PERSONAL EXPLANATION**

Ms. BROWN of Florida. Mr. Speaker, I was not present for the vote on H.R. 2947, rollcall

No. 397. Had I been present, I would have voted "yea."

# HIGH-SPEED RAIL DEVELOPMENT ACT OF 1994

The SPEAKER pro tempore (Mr. COLEMAN). The pending business is the question of suspending the rules and passing the bill, H.R. 4867, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California [Ms. SCHENK] that the House suspend the rules and pass the bill, H.R. 4867, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were yeas 281, nays 103, not voting 50, as follows:

[Roll No. 398]

## YEAS—281

Abercrombie Emerson Kleczka  
Ackerman Engel Klein  
Andrews (ME) English Klink  
Andrews (NJ) Eshoo Klug  
Andrews (TX) Evans Knollenberg  
Applegate Farr Kopetski  
Bacchus (FL) Fawell Kreidler  
Bacchus (AL) Fazio LaFalce  
Baesler Fields (LA) Lambert  
Barca Filner LaRocco  
Barca Fingerhut Lazio  
Barlow Fish Leach  
Barrett (WI) Ford (MI) Lehman  
Beilenson Ford (TN) Levin  
Bentley Fowler Levy  
Berman Frank (MA) Lewis (CA)  
Bevill Franks (CT) Lewis (GA)  
Bilbray Franks (NJ) Lipinski  
Bishop Furse Lloyd  
Blute Gallegly Lowey  
Boehlert Gephardt Maloney  
Bonior Gibbons Mann  
Boucher Gilchrest Manton  
Brewster Gillmor Manzullo  
Brooks Gilman Margolies  
Browder Glickman Mezvinsky  
Brown (CA) Gonzalez Markey  
Brown (OH) Green Martinez  
Byrne Greenwood Matsui  
Calvert Gutierrez Mazzoli  
Camp Hall (OH) McCandless  
Canady Hamburg McCloskey  
Cantwell Hamilton McDermott  
Cardin Harman McHale  
Carr Hastert McHugh  
Castle Hastings McKinney  
Clay Hayes McNulty  
Clayton Hefner Meek  
Clyburn Hilliard Mfume  
Coleman Hinchey Mica  
Collins (IL) Hoagland Miller (CA)  
Collins (MI) Hobson Mineta  
Condit Hochbrueckner Minge  
Conyers Hoekstra Mink  
Coppersmith Holden Moakley  
Costello Horn Molinari  
Coyne Houghton Mollohan  
Crapo Hoyer Moorhead  
Danner Hughes Moran  
Darden Hutto Morella  
de la Garza Hyde Murphy  
Deal Inslee Murtha  
DeFazio Jefferson Neal (MA)  
DeLauro Johnson (CT) Neal (NC)  
Dellums Johnson (GA) Oberstar  
Derrick Johnson (SD) Obey  
Deutsch Johnson, E.B. Oliver  
Diaz-Balart Johnston Ortiz  
Dicks Kanjorski Orton  
Dingell Kaptur Owens  
Dixon Kennedy Oxley  
Dooley Kennelly Packard  
Dunn Kildee Pallone  
Durbin Kim Parker  
Ehlers King Pastor

Payne (NJ) Schenk  
Payne (VA) Schiff  
Pelosi Schumer  
Penny Scott  
Peterson (FL) Serrano  
Pickett Sharp  
Pickle Shaw  
Pombo Shays  
Pomeroy Shepherd  
Poshard Siskisky  
Price (NC) Skaggs  
Quinn Skelton  
Rahall Slaughter  
Ramstad Smith (IA)  
Rangel Smith (MI)  
Ravenel Smith (NJ)  
Richardson Snow  
Roemer Spratt  
Ros-Lehtinen Stark  
Rose Stokes  
Rostenkowski Strickland  
Roukema Studds  
Rowland Stupak  
Roybal-Allard Swett  
Sabo Synar  
Sanders Tanner  
Sangmeister Tauzin  
Sawyer Taylor (MS)  
Saxton Tejeda

Thomas (CA) Thompson  
Thompson Thornton  
Thornton Thurman  
Torkildsen  
Torres  
Torrice  
Towns  
Traficant  
Tucker  
Unsoeld  
Upton  
Valentine  
Velazquez  
Vento  
Volkmer  
Walsh  
Waters  
Watt  
Waxman  
Weldon  
Wheat  
Williams  
Woolsey  
Wyden  
Wynn  
Yates  
Zeliff  
Zimmer

## NAYS—103

Allard Gingrich Paxon  
Archer Goodling Peterson (MN)  
Armey Goss Petri  
Baker (LA) Grandy Porter  
Ballenger Gunderson Portman  
Barrett (NE) Hall (TX) Pryce (OH)  
Bartlett Hancock Quillen  
Barton Hansen Reed  
Bateman Hefley Regula  
Bereuter Herger Roberts  
Billie Hutchinson Rogers  
Bonilla Inglis Rohrabacher  
Bryant Inhofe Roth  
Bunning Istook Royce  
Burton Jacobs Sarpallus  
Buyer Johnson, Sam Schroeder  
Callahan Kasich Sensenbrenner  
Chapman Kingston Shuster  
Clinger Kolbe Skeen  
Coble Kyl Smith (OR)  
Combest Lancaster Solomon  
Cox Laughlin Spence  
Cunningham Lewis (FL) Stearns  
DeLay Lewis (KY) Stenholm  
Dickey Lightfoot Stump  
Doolittle Linder Talent  
Dornan Livingston Taylor (NC)  
Duncan Long Vucanovich  
Edwards (TX) Lucas Walker  
Everett McCrery Wilson  
Ewing McInnis Wolf  
Fields (TX) Meyers Young (AK)  
Frost Miller (FL) Young (FL)  
Gekas Myers  
Geren Nussle

## NOT VOTING—50

Baker (CA) Gejdenson Montgomery  
Becerra Goodlatte Nadler  
Billrakis Gordon Reynolds  
Blackwell Grams Ridge  
Boehner Hoke Rush  
Borski Huffington Santorum  
Brown (FL) Hunter Schaefer  
Clement Lantos Slattery  
Collins (GA) Machtley Smith (TX)  
Cooper McCollum Sundquist  
Cramer McCurdy Swift  
Crane McDade Thomas (WY)  
Dreier McKeon Visclosky  
Edwards (CA) McMillan Washington  
Flake Meehan Whitten  
Foglietta Menendez Wise  
Gallo Michel

□ 1752

Mr. KNOLLENBERG changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. CRANE. Mr. Speaker, I was unavoidably detained and therefore was unable to cast my vote on two of the three recorded votes. I failed to vote on rollcall No. 397 relating to H.R. 2947, legislation relating to the Black Revolutionary War Patriots Foundation, and rollcall No. 398 relating to H.R. 4867, the High Speed Rail Development Act. I had intended to cast my vote on the legislation in question; however, my flight from Chicago to Washington was unavoidably detained due to weather. Fortunately, the outcome of the votes on H.R. 2947 and H.R. 4867 were not decided by a single vote and my vote therefore would not have been determinative.

## THE JOURNAL

The SPEAKER pro tempore (Mr. COLEMAN). Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. RICHARDSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 237, nays 147, not voting 50, as follows:

[Roll No. 399]

## YEAS—237

Abercrombie Danner Greenwood  
Ackerman Darden Gutierrez  
Andrews (ME) de la Garza Hall (OH)  
Andrews (NJ) Deal Hall (TX)  
Andrews (TX) DeFazio Hamburg  
Applegate DeLauro Hamilton  
Bacchus (FL) Dellums Harman  
Baesler Derrick Hastings  
Barca Deutsch Hayes  
Barca Dicks Hefner  
Barlow Dingell Hilliard  
Barrett (WI) Dixon Hinchey  
Bateman Dooley Hoagland  
Beilenson Dornan Hochbrueckner  
Berman Durbin Holden  
Bevill Edwards (TX) Houghton  
Bilbray Engel Hoyer  
Bishop English Hughes  
Bonior Eshoo Hutto  
Boucher Evans Hyde  
Brewster Everett Inglis  
Brooks Farr Inslee  
Browder Fazio Jefferson  
Brown (OH) Fields (LA) Johnson (GA)  
Bryant Filner Johnson (SD)  
Byrne Fingerhut Johnson, E.B.  
Cantwell Fish Johnston  
Cardin Ford (MI) Kanjorski  
Chapman Ford (TN) Kaptur  
Clayton Frank (MA) Kasich  
Clyburn Frost Kennedy  
Coleman Furse Kennelly  
Collins (IL) Gephardt Kildee  
Collins (MI) Geren Kingston  
Combest Gibbons Kleczka  
Condit Gillmor Klein  
Conyers Gilman Klink  
Coppersmith Glickman Kopetski  
Costello Gonzalez LaFalce  
Coyne Green Lambart

Lancaster  
LaRocco  
Laughlin  
Lehman  
Levin  
Lewis (GA)  
Lipinski  
Lloyd  
Long  
Lowey  
Maloney  
Mann  
Manton  
Margolies-  
Mezvinsky  
Markey  
Martinez  
Matsui  
Mazzoli  
McCloskey  
McDermott  
McHale  
McKinney  
McNulty  
Meek  
Mfume  
Miller (CA)  
Minneta  
Minge  
Mink  
Moakley  
Mollohan  
Moran  
Murtha  
Myers  
Neal (MA)  
Neal (NC)  
Oberstar  
Obey  
Oliver

Ortiz  
Orton  
Owens  
Pallone  
Parker  
Pastor  
Payne (NJ)  
Payne (VA)  
Pelosi  
Penny  
Peterson (FL)  
Peterson (MN)  
Pickett  
Pickle  
Pombo  
Pomeroy  
Poshard  
Price (NC)  
Rahall  
Rangel  
Reed  
Richardson  
Roemer  
Rose  
Rostenkowski  
Rowland  
Roybal-Allard  
Sabo  
Sanders  
Sangmeister  
Sarpalius  
Sawyer  
Schenk  
Schumer  
Scott  
Serrano  
Sharp  
Shepherd  
Siskis  
Skaggs

Skelton  
Slaughter  
Smith (IA)  
Spratt  
Stark  
Stenholm  
Stokes  
Strickland  
Studds  
Stupak  
Sweet  
Synar  
Tanner  
Tauzin  
Tejeda  
Thompson  
Thornton  
Thurman  
Torres  
Torricelli  
Towns  
Traficant  
Tucker  
Unsoeld  
Valentine  
Velazquez  
Vento  
Volkmer  
Waters  
Watt  
Waxman  
Wheat  
Williams  
Wilson  
Woolsey  
Wyden  
Wynn  
Yates

## NAYS—147

Allard  
Archer  
Armey  
Bachus (AL)  
Baker (CA)  
Baker (LA)  
Ballenger  
Barrett (NE)  
Bartlett  
Barton  
Bentley  
Bereuter  
Bliley  
Blute  
Boehlert  
Bonilla  
Brown (CA)  
Bunning  
Burton  
Buyer  
Callahan  
Calvert  
Camp  
Canady  
Castle  
Clay  
Clinger  
Coble  
Cox  
Crane  
Crapo  
Cunningham  
DeLay  
Diaz-Balart  
Dickey  
Doolittle  
Duncan  
Dunn  
Ehlers  
Emerson  
Ewing  
Fawell  
Fields (TX)  
Fowler  
Franks (CT)  
Franks (NJ)  
Gallegly  
Gekas  
Gilchrest

Gingrich  
Goodling  
Goss  
Grandy  
Gunderson  
Hancock  
Hansen  
Hastert  
Hefley  
Herger  
Hobson  
Hoeftstra  
Horn  
Hutchinson  
Inhofe  
Istook  
Jacobs  
Johnson, Sam  
Kim  
King  
Klug  
Knollenberg  
Kolbe  
Kreidler  
Kyl  
Lazio  
Leach  
Levy  
Lewis (CA)  
Lewis (FL)  
Lewis (KY)  
Lightfoot  
Linder  
Livingston  
Lucas  
Manzullo  
McCandless  
McCrery  
McHugh  
McInnis  
Meyers  
Mica  
Miller (FL)  
Molinar  
Moorhead  
Morella  
Murphy  
Nussle  
Oxley

Packard  
Paxon  
Petri  
Porter  
Portman  
Pryce (OH)  
Quillen  
Quinn  
Ramstad  
Ravenel  
Regula  
Roberts  
Rogers  
Rohrabacher  
Ros-Lehtinen  
Roth  
Roukema  
Royce  
Saxton  
Schiff  
Schroeder  
Sensenbrenner  
Shaw  
Shays  
Shuster  
Skeen  
Smith (MI)  
Smith (NJ)  
Smith (OR)  
Snowe  
Solomon  
Spence  
Stearns  
Stump  
Talent  
Taylor (MS)  
Taylor (NC)  
Thomas (CA)  
Torkildsen  
Upton  
Vucanovich  
Walker  
Walsh  
Weldon  
Wolf  
Young (AK)  
Young (FL)  
Zelliff  
Zimmer

## NOT VOTING—50

Becerra  
Billirakis

Blackwell  
Boehner

Borski  
Brown (FL)

Carr  
Clement  
Collins (GA)  
Cooper  
Cramer  
Dreier  
Edwards (CA)  
Flake  
Foglietta  
Gallo  
Gedjenson  
Goodlatte  
Gordon  
Grams  
Hoke

Huffington  
Hunter  
Johnson (CT)  
Lantos  
Machtley  
McCollum  
McCurdy  
McDade  
McKeon  
McMillan  
Meehan  
Menendez  
Michel  
Montgomery  
Nadler

Reynolds  
Ridge  
Rush  
Santorum  
Schaefer  
Slattery  
Smith (TX)  
Sundquist  
Swift  
Thomas (WY)  
Visclosky  
Washington  
Whitten  
Wise

□ 1809

So the Journal was approved.

The result of the vote was announced as above recorded.

## PERSONAL EXPLANATION

Mr. RUSH. Mr. Speaker, due to official business, I was not available for rollcall Nos. 397, 398, and 399.

Had I been present I would have voted "aye" on No. 397, "aye" on No. 398 and "aye" on No. 399.

## SPECIAL ORDERS

The SPEAKER pro tempore (Mr. HOLDEN). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

## THE CRIME BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, very soon, the House will pass the crime bill, and the liberal national media will proclaim it to be a great victory for President Clinton.

But will it be? Really?

The President has a 79-seat majority in this House—a huge margin.

Yet the crime bill, despite intense pressure and lobbying by the White House, and despite this 79-seat majority—lost by 15 votes.

This should tell the people how bad this bill really is. And this in a year when everybody wants to vote for a crime bill.

Once a bill is defeated in one Congress, it should not come up again until the next Congress is in place.

Yet we will soon vote on this bill again, after some of the most intensive lobbying, arm-twisting pressure, and power politics this Nation has ever seen.

This is what this bill is now about—politics—not crime.

I spent 7½ years as a criminal court judge before coming to Congress.

I tried primarily the felony criminal cases—the most serious cases.

Yet I voted against this bill twice—Why?

Well, let me tell you first, it had nothing to do with gun control.

This is another myth or falsehood perpetrated by our liberal national media.

They would have everyone believe that the only reason anyone would have voted against this bill was because of pressure from the NRA.

This is totally, completely, 100 percent false.

Most people voted against this bill because they want a real crime bill, a tough crime bill, not a Great Society social work bill.

Most people voted against this bill because what started out as a \$22 billion bill ended up as a \$33 billion monstrosity with everything but the kitchen sink in it.

Most people voted against this bill because of 9 or 10 billion dollars' worth of social programs, including hundreds of millions for dance lessons, arts and crafts, basketball leagues, and graffiti removal.

Now there is certainly nothing wrong with basketball leagues or graffiti removal. But the cities which need them should do them themselves.

As bad of shape financially as most of our States and cities are in, very few are in as bad fiscal shape as is our Federal Government.

Our Federal Government is presently over \$4½ trillion in debt and still losing hundreds of millions more each day.

We are already spending billions we do not have, yet our President and his supporters want us to pass a health bill that will be the most expensive bill ever passed in the history of this country.

Most people voted against this so-called crime bill because the conference actually weakened provisions against our most serious drug dealers and against released sex offenders.

Most people voted against this bill because the President's own FBI Director said it would do more harm than good—at least he was against it until the White House got him muzzled.

Most people voted against this bill because most of the money goes to just a few of our Nation's largest cities. This is supposed to be because these are the areas of highest crime and highest unemployment.

But the bill very much shortchanges and is very unfair to our smaller cities and especially to our small towns and rural areas.

And many people voted against this bill because they want our crime dollars spent on the streets, fighting real crime. They know we will do more to fight crime by spending our crime-fighting dollars on local police and deputies, instead of on Federal bureaucrats and social workers.

They know, too, that most people who have really analyzed this bill say it will allow for the hiring of only a

small fraction of the 100,000 officers its supporters claim.

People all over this Nation are asking why should we send 33 billion of our hard-earned dollars to Washington, DC, where so much of it is going to be lopped off, first by the Federal Government, then by the State governments, and then by our 15 largest cities.

Everyone who has ever dealt with the crime problem knows that by far the biggest single factor is broken homes.

The overwhelming majority of our serious crimes are committed by young men who come from father-absent households.

Already government is taking half of the average person's income in the form of taxes, counting taxes of all types, Federal, State and local.

Most marriages break up due to disagreements over finances—battles over money.

In 1948, the credit for children on tax returns was \$600 each. According to the Heritage Foundation, if that had been indexed for inflation, it would be approximately \$8,000 today.

What does this have to do with crime—quite simply, it is this: In 1940's and 1950's the Federal Government was really almost encouraging families through its tax policies.

Today, our government is taking so much from our families that it is helping cause them to break down, and thus our crime problem grows worse.

Now, we are going to take \$33 billion more from our people to perpetrate a fraud, a cruel hoax—that it is being done to fight crime.

This crime bill will not even put a small dent in our crime problem. It will be passed solely because of politics in a desperate attempt to try to make people who really are not tough on crime look like they are.

□ 1820

#### REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF A CERTAIN RESOLUTION

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103-707) on the resolution (H. Res. 522) waiving a requirement of clause 4(b) of rule XI with respect to consideration of a certain resolution reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

#### INQUIRY REGARDING PRIVILEGED REPORT ON RESOLUTION WITH RESPECT TO CLAUSE 4(b) OF RULE XI

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. I just wanted to know, Mr. Speaker, if this is a two-thirds rule for purposes of doing the crime rule.

Mr. MOAKLEY. Mr. Speaker, the gentleman is correct.

Mr. WALKER. The idea being, Mr. Speaker, that this gives us the ability, then, if some kind of an arrangement is arrived at, that we would take it up utilizing the two-thirds rule. Is that what the plan is here, Mr. Speaker?

Mr. MOAKLEY. If the gentleman will continue to yield, Mr. Speaker, I cannot hear the gentleman, but the two-thirds rule allows us to take up the rule the same day.

Mr. WALKER. Mr. Speaker, I assume that is predicated on the idea that we would arrive at some kind of arrangement acceptable to both sides, is that correct?

Mr. MOAKLEY. It does not say that, but I am sure it is.

Mr. WALKER. Otherwise, Mr. Speaker, it would be difficult to get two-thirds.

Mr. MOAKLEY. If the gentleman will yield further, this waives the two-thirds requirement.

Mr. WALKER. This waives the two-thirds requirement. So the fact is, what we are trying to do is make certain the House would not have a chance to look at the new bill?

Mr. MOAKLEY. If the gentleman will continue to yield, no, Mr. Speaker. This waives the two-thirds requirement, allowing the majority Members to vote on another rule that will be coming forward addressing the crime bill.

Mr. WALKER. However, Mr. Speaker, it does then, at that point, assure that the House can take up the rule very quickly on a conference report that may get rewritten as a result of some of the negotiations that are going on?

Mr. MOAKLEY. The gentleman is correct.

Mr. WALKER. That makes it, then, more difficult for us to have a chance to look at those new provisions, if in fact we are going to run it out here on a very quick basis, does it not?

Mr. MOAKLEY. Mr. Speaker, if the gentleman will yield further, the reality is that we waived the two-thirds in order that if there is any chance we get out of here Friday, this is the only key we can use.

Mr. WALKER. So the idea is that this would be used to try to get the House out of here on Friday to go home, hopefully?

Mr. MOAKLEY. If everything falls in place, not waiving the rule on this would not allow us to take this matter up before Friday.

Mr. WALKER. I thank the gentleman. With all the controversy that has been surrounding the bill, there is some concern on the part of Members that they do want to have a chance to understand what is in this bill.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I was not going to talk on this, but I have some concern. How many pages are in the crime bill, 1,400 pages?

Mr. WALKER. Seven hundred pages, or something.

Mr. BURTON of Indiana. There is at least 700 pages.

Mr. MOAKLEY. If the gentleman will yield further, does the gentleman from Indiana [Mr. BURTON] mean to say that he has not read the bill?

Mr. BURTON of Indiana. If the gentleman will continue to yield, 700 pages, Mr. Speaker? I must admit, I have read the synopsis, but not all 700 hundred pages. That is why I am concerned about running this thing through without Members having a chance to look at the thing before taking it up.

Mr. MOAKLEY. If the gentleman will continue to yield, the rule may not come up until Friday, Mr. Speaker. This is just getting it ready in case all the other pieces of business fall into place. As the gentleman knows, his leadership is at the White House now trying to work out the crime bill.

Mr. WALKER. That is correct, Mr. Speaker, and basically what I am trying to do is figure out how this particular action fits in with the meetings that are taking place. If I understand the gentleman correctly, this is being done in hopes that arrangements can be made that will include a little bit of everybody, that we can move something expeditiously toward the end of the week, and we will move it at a point that everybody will understand what it is we are doing.

Mr. MOAKLEY. If the gentleman will continue to yield, Mr. Speaker, I cannot go that far, that everybody will understand what we are doing. Other than that, I agree with the gentleman.

Mr. WALKER. I thank the gentleman.

#### AMERICA'S FOREIGN POLICY CREATES MISERY FOR HAITIANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GOSS] is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, I wanted to talk very briefly. While we have been having these very important debates here in this country about crime and health care, and are fully engaged in the U.S. Congress in business for the people of this country, we have a foreign policy that is making life pretty darned miserable in a neighboring country, a place called Haiti.

I have talked many times about this. We read about it almost every day. Today, Mr. Speaker, I had the opportunity to be on the telephone with some of the properly democratically elected members of their congress, their Chamber of Deputies, as it were, and got an update on what is going on down there.

It is really sort of pathetic that we are not following up the option to negotiate with our colleagues, who were democratically elected, in the Haitian Chamber of Deputies. There are a great number of them. They have invited us to come down and try and work out a negotiated settlement, instead of this threat of invasion, this talk of invasion, all of these Navy ships and Coast Guard cutters we have steaming around down there at this point, and the sword rattling that is going on.

Mr. Speaker, it is not working very well. It is costing us a lot of money. We have estimates of \$1 billion or so, and boy, do we need that \$1 billion. I would love to be able to plug that into more law enforcement officers for our Nation's streets, and to deal with some of these crime problems that we have been so engaged in.

Mr. Speaker, be that as it may be, we have a very misguided foreign policy in Haiti. It is very expensive. It is probably ill-conceived. It is not going to get results anybody is going to want, in all likelihood, but it has another factor.

Mr. Speaker, I think it is time we pause every so often here. We live very good lives in the United States of America, most of us. We are very fortunate and much blessed to be in this country.

While we are here, Mr. Speaker, have an embargo which is absolutely strangulating Haiti. It is absolutely devastating the poorest people in that country and the middle class in that country. Supposedly the rich can do for themselves, and some of those who are the target of that embargo are actually not feeling the pinch anywhere near some of these other folks are.

We heard today that we have a U.S. hospital up in Limbe, which is up near Cap-Haitien, up in the northwest part of the country. That is completely now overwhelmed. They have no more supplies. They have nothing, no medical attention, which is desperately needed for HIV-positive people, TB people, and so forth.

All of this is on the rise. There are no treatments, there is no prevention. There is overcrowding. There is not even food. We cannot simply say, as we keep hearing from Bill Gray, who is the spokesperson for the administration on this, that "We are addressing the food crisis in Haiti by feeding 1 million people a day."

Mr. Speaker, if we are feeding 1 million people a day, we are not feeding them very nourishing food, I understand. Sometimes it is just sort of one bowl of thin porridge. There are some 7 million people in Haiti, and we wonder what is happening to the other 6 million, if we are feeding 1 million. It is very bad times.

Mr. Speaker, We understand that we have supplies that are rotting on the docks that are needed for food and medicine for places like this hospital

in Limbe, or the 6 million or so that need the food so badly, and we discover that it cannot get anywhere because there is no gasoline, no transportation, because of the embargo.

□ 1830

We find infants are dying. We find that young women who had jobs before cannot have any jobs now because there is no manufacturing. They have had to shut everything down because of the embargo. Some have gone back to prostitution. Unfortunately, AIDS is a serious problem in Haiti and of course it is now on the increase as a result of all this.

All of this is happening because of the United States policy. It is our foreign policy that is causing these results. The people down in Jacmel in Haiti, a city more on the southern coast, go to a TB clinic, people who have TB who are being treated, and when they go to this clinic, they are not able to get any medication, any treatment for their TB because there is not any because of the embargo. So they sing and they pray instead and they ask the good Lord to save them because there is no medical attention available to them.

I admire that spirit, I admire that commitment, and I admire their trust in the Lord. But we could easily be providing them help for their TB to help correct the problem, and the medical attention that they need and had been getting up until this embargo came along.

What I am saying is that we have a policy here in the wealthiest nation in the world of absolutely devastating a poor country and making life miserable for so many people. It is hard to go to bed at night and think there are 6 million people who are not getting the kind of help, treatment, food, compassionate relief, and attention that I know every American would want to give. If Americans could see the face of poverty and the face of misery that is being directly caused by our foreign policy in Haiti, I do not think it would stand up for 1 second. There would be a revolution here and people would demand that we change our policy and do the right thing for Haiti instead of trying to victimize the poor and the middle class.

I have not spoken much about the middle class, but they are the people who make things work there. They are the managers, the manufacturers, the people who keep things running and provide employment for the working class. Those people are being devastated because there is no job, no investment, no employment for them, the factories do not work, no energy for the factories and so forth. So we are having a deterioration of the basic structure we need to rebuild that country while we are also starving the very poorest.

This is not a policy that makes any sense at all. Why are we doing this? We want democracy in Haiti, we want to see them grow, we want to see them have some prosperity, we want to see them have jobs, we want to see disease eradicated, we want to see starvation eradicated, and everything we are doing is counter to those directions.

I find it astonishing that our colleagues here who care so much about these things and will speak so eloquently and so much from the heart on these subjects when we are dealing with other countries that we talk about can somehow turn a blind eye toward what we are doing in Haiti, pretending it is not happening. It is happening. It is awful, it is happening, and we are responsible for it. How can we do this?

I challenge our administration, Mr. Speaker, to come up with a better policy, and one would surely be to follow this program of dealing with the duly elected members of the Haitian Parliament who are our counterparts duly elected and find a middle road. It is possible to do it. We should do it.

#### WHY THE CRIME BILL HAS NOT PASSED

The SPEAKER pro tempore (Mr. HOLDEN). Under a previous order of the House, the gentleman from North Carolina [Mr. TAYLOR] is recognized for 5 minutes.

Mr. TAYLOR of North Carolina. Mr. Speaker, I would like to talk for 5 minutes, just common sense, about the crime bill that is in front of us and some of the reasons why it was turned down. I hope the public and the Members of this body will think about what is in the bill and why many people voted the way they did.

First of all, this was not a Republican defeat of the crime bill. In the first place, we only have 178 votes in this body. It takes 218 to defeat. There are many people who opposed the crime bill and opposed the rule for the crime bill. First of all, the FBI chief criticized the bill in a recent newspaper statement and his reason was he was concerned that the President's approach toward crime cut the FBI, cut the DEA, cut the INS and cut law enforcement, basic Federal law enforcement agencies that are needed really to be tough on crime. That is the head of our FBI criticizing the bill. There were some 20 committee and subcommittee chairmen, these are all Democrats, who voted against the rule. Many of them voted because they felt that this rule was not proper, that a closed rule would not allow the amendments necessary to improve the bill, and that was a principal reason they opposed the crime bill. Some 58 other Democrats, Members of the House of Representatives, voted against that rule.

Many of them remembered the experience about the Los Angeles earthquake where we were told we needed \$8 billion to take care of the people in Los Angeles during their trials in the earthquake. Most Members felt that was appropriate, that if they needed the money to help cure the problems in Los Angeles with the earthquake, they would vote for it. Then as we began to read the bill and later a major television network pointed out that over half of that \$8 billion, some \$4 billion or more, did not even go near California, it did not even get close to where there was a rumble, in fact. It wound up in Arkansas and West Virginia and places that had nothing to do with the California earthquake. So having been duped once, you can see that a lot of people were nervous about a \$33 billion crime bill that so clearly does not address crime with a great portion of the funds.

George Will, a prominent writer and a personality who writes for the Washington Post and others, says:

This crime bill is a bipartisan boondoggle because of the cachet that currently accrues to any legislation with an 'anticrime' label. But the bill sprays money most promiscuously at Democratic constituencies, the so-called (by themselves) 'caring professions'—social workers, psychologists, and others who do the work of therapeutic government.

He warns that it does not address tough problems on crime. He points out that even the midnight sports leagues—first of all, the leagues have to be made up of a specific population, those from specific areas with a prescribed number with HIV positive. He also points out that many of the other programs involved have nothing to do with crime but that are primarily social programs, many of them shopworn, that have come before this body before and have not been able to pass.

Then in my home State, we have a police organization that polled over 3,000 members of their officers and 86 percent opposed aspects of the crime bill because they called it phony, they said it does not address crime, it addresses other questions and it is bureaucratic and will not aid them in their fight against crime.

So there is a widespread concern in this country about this crime bill. It was not a partisan matter, it was a matter that came across party lines, and that is why the vote lost in this last week's attempt.

Is this a crime bill? Well, when you read it and you ask people, both committee staff and you ask prominent people who have been in this House, the first thing they say, "Well, not exactly."

You ask, does it ban 19 assault weapons as the press says? "Well, not exactly." It actually bans several hundred weapons, most of them sports weapons.

My son has a shotgun that he uses to turkey hunt with. It is a gun that I will

have to admit, it is not a threat to turkeys much because we have tried for the last 2 years and we have not been able to hit one. It is, however, an assault weapon under the definition of this bill. It has to meet two criterias to be that. It meets three. First of all, it has six shots, it only has to meet five; second, it has a curved handle just before the stock as most shotguns would have; and third, you can affix a bayonet if you want to. You can affix a bayonet to any gun that the stock does not come all the way out to the end. Maybe he should affix a bayonet and try to bayonet the turkeys because he is not having much luck shooting them. But to think of that weapon is ridiculous. In fact most of what people think of as automatic weapons are already banned under Federal statute. Even Uzis and other types of guns that are changed to become automatic weapons violate the Federal statute.

#### WHY THE CLINTON-GEPHARDT BILL IS BAD FOR SENIORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, I rise today concerning why the Clinton-Gephardt bill is bad for senior citizens. For the past 19 months since I first entered Congress, I have held over two dozen town hall meetings throughout my congressional district. I have received over 10,000 letters and phone calls, and I have talked to thousands of constituents, mostly senior citizens, because my district in Florida has the largest number of senior citizens of any congressional district in the United States. My area of Sun City, FL; Port Charlotte, FL; Venice, Sarasota, and Brandenton, FL has the largest percentage of seniors in the Nation, and they are upset.

□ 1840

They are concerned and they are scared. They like what they are getting under Medicare now, and they do not think the change is better for them.

Poll after poll has shown that the seniors are very concerned. It was very surprising last week when the AARP came out supporting the Clinton-Gephardt bill. Last year when Mr. Clinton first made his presentation on health care in September here in the House, and that was a point of popularity for the Clinton bill, the AARP in their bulletin had a little coupon to ask their members to send in to see what they said about the Clinton bill last September and October. They published the results in their monthly bulletin in December and 82 percent of the 25,000 people who had sent in response said they did not like Clinton, and that was when the bill was very popular in the country.

What I would like to do now is identify five very specific reasons why Clinton-Gephardt is bad for senior citizens.

First of all, we have global budgets and price controls, and this amounts to explicitly rationing health care. The plan mandates in 1999 to in effect have zero growth in Medicare spending. Even countries that ration their health care cannot get down to zero growth. What it mandates is that in 1999 that the growth in Medicare spending will be no greater than the growth of the gross domestic product, the GDP, which is about 3 percent or so right now. It does not take into account the fact that we are going to have more Medicare people eligible in 1999. No. It is just based on some economic factor that is based on the business cycle rather than on the needs of senior citizens.

Next is rationing of health care. Seniors are the ones most victimized by rationing of health care. In other countries where they have socialized medicine, in Great Britain, for example, they ration health care by, for example, kidney dialysis is limited to senior citizens over age 65.

The Congressional Budget Office, when they evaluated Mr. Clinton's plan, said, "There was reduced access to new high cost medical technologies in the Clinton plan."

This morning's Wall Street Journal had an interesting editorial by Robert Goldberg who talks very specifically about the rationing of drugs under the Clinton-Gephardt bill as a mere formulary identified under the Clinton-Gephardt bill, and they list drugs that are permitted, and if it is not on the list, senior citizens cannot have that drug unless the physician is willing to go through the bureaucracy and make special requests and such.

There are going to be drug caps put into effect by the year 2005, which sets the maximum amount of money that can be spent for drugs. That is rationing of health care for senior citizens.

The third issue is reduced choice. Under the Clinton-Gephardt bill States are given the option, they are given the option to make Medicare people go under the State-run program. If New Jersey decided to develop a State-run program, the State of New Jersey would have the choice to force all Medicare people to get out of Medicare and go into the State of New Jersey's program, no choice about it for senior citizens. That is not the type of choice seniors were expecting in this plan.

Also the plan under Clinton-Gephardt encourages seniors do get into HMO's, and this is going to really affect the lower income seniors.

Increased taxes. There is no free lunch. We would have thought Congress would have learned with the catastrophic back in 1988 and 1989 that you cannot just increase taxes and have senior citizens say OK, that is OK. For

example, in this bill there is the drug coverage, which is a good idea. But what it is is a \$500 deductible for seniors, and it is 80 percent coverage after the first \$500 they have paid. They are going to pay \$111 a year tax on that. Even if you have a great plan or supplement from say General Motors or someone else, you are still going to pay that \$111 whether you use it or not. So there is a \$111 tax that you are going to pay to get drug coverage.

There is a higher cigarette tax. I do not smoke, so it will not bother me. But if you are a senior and you smoke, be prepared to pay higher taxes.

And there is the employer mandate. In my district, there are a lot of seniors that have part-time jobs and the employers are going to be discouraged from hiring those seniors part time because they will have to provide them with health care.

The fifth reason is draconian Medicare cuts, \$480 billion in Medicare cuts. We are at a very scary time in this health care debate, scary, so no one knows what they are going to do.

Let us put this off and have a rational, intelligent debate on how to have health care, and come back in January and make it the focus of the election in 1994.

#### COMPROMISING ON THE CRIME BILL

The SPEAKER pro tempore (Mr. HOLDEN). Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, I address the House tonight to talk about the crime bill. I do not know if we have said enough about that in America for the last 2 or 3 days. So I want to throw in my 2 cents.

The great moments we have had during the Clinton administration in the legislature, the times when the Clinton administration has passed items which it considers very high on its agenda, they have done so with bipartisan support. The only deviation from that would be the tax increase, but aside from that, NAFTA, family medical leave, and assault weapons ban were all passed on a bipartisan basis.

I think, Mr. Speaker, what we need to do is realize that the best of the Democrats', the best of the Republicans' ideas should always be combined together with the best of the administration's ideas so that we can have the best type of reform and the best type of legislation possible for the American people.

Last week, despite what the President said, there were 58 Democrats who voted against the rule on the crime bill. As I went home and read about it in the newspaper back in Savannah in the First District of Georgia, as I watched it on national news, I was not

sure if I was in the same House Chamber that the President was talking about when he blamed his failure to pass it on the NRA and the Republican Party. I am against gun control. I believe in the second amendment. The President and I disagree on that. But I will say this: NRA never contacted me about the crime bill. I am sure they were contacting Members, but they never contacted me. The party leaders did talk, but where I got most of my direction was not from folks in Washington, and not from Republican Party members, and not from the NRA folks, obviously, not from other special interests, but from the sheriffs and police chiefs in the First Congressional District of Georgia.

As we in our office called them, as we faxed to them somewhat of a summary of the crime bill—it was hard to summarize 700 pages in a brief period of time, particularly when the bill had not been written until the day of the vote, but aside from that, from what we had understood we sent out a fax to our police officers. The majority, the overwhelming majority, and by that I mean 90 percent said vote no on this. There is a lot of good in the crime bill, but there is a lot of bad in it too.

I think if we could say come up and admit, if the administration will say we can do a better job, the people of America are right, then what we should do tonight during the course of this debate and over the next couple of days is work on a compromise.

Here is my suggestion for the compromise. The bill is about \$33 billion. It was about \$9 billion in so-called special spending such as midnight basketball, arts and crafts fairs, and self-esteem programs. I think we ought to cut that. I would like to see it eliminated in its entirety, but I realize in certain areas of the country you may need that. For example, in New York City they probably need self-esteem programs. If I was living in New York I probably would too.

But we should reduce that level as much as possible, and then whatever balance we save, put it into the construction of new prisons. When the bill passed the House the construction level on the prisons was over \$13 billion. When it came out of conference it was more in the \$9 billion range. What we should do is put the balance into keeping our streets safe by keeping the criminal element off of the street so they do not harm your family members.

The other part is since out of 100,000 new police officers only 20,000 are paid for, what we should do is put the balance into that. I think that compromise makes sense.

But let us just say it does not. Why not then give the money back to the States and let them decide if they are going to put that money to self-esteem programs or a new prison construction

or new police officers. I trust the great State of Georgia to make the decisions on that, and I am sure 435 Members of Congress trust their own home States to make decisions on that. I think that would give a great cooperative effort between the State and Federal levels of government, and it would promote I think a better harmony between the two entities as opposed to always handing down to the State government unfunded mandates. That is the first part of the compromise I would suggest.

The second part I would suggest is a separate vote on the assault weapons ban.

□ 1850

That way the President and everybody else who is against the second amendment can jump on gun owners of America and the NRA and all that and they could have a good old second-amendment bashing. But that way it would be a separate issue. We already passed the assault-weapon ban in the House.

The third thing, no retroactive appeals for people who have already been sentenced, which the bill would do. Let us eliminate that.

The fourth and final thing, Mr. Speaker, would be to promote the Byrne grant program more in rural America, which is an antidrug program which is helping rural America tremendously. It is kind of hidden in this bill. It is in there, but let us build upon it.

Mr. Speaker, I appreciate your time. I appreciate the Members of the House listening.

#### WHITEWATER DEVELOPMENT CORP. AND THE MADISON SAVINGS & LOAN DEBACLE

The SPEAKER pro tempore (Mr. HOLDEN). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes as the designee of the minority leader.

Mr. BURTON of Indiana. Mr. Speaker, it appears that the White House, President Clinton, and his supporters continue to try to do damage control involving the Madison Savings & Loan debacle and the Whitewater Development Corp.

Last week I talked about Jean Lewis, who was the investigator with the Resolution Trust Corporation that was investigating Whitewater and the Madison Savings & Loan affair.

She sent two criminal referrals to the Justice Department, to the attorney in Little Rock investigating these allegations. She sent the first criminal referral to the U.S. attorney in Little Rock, I think, in September 1992.

At that time a gentleman named Charles Banks was the U.S. Attorney. Now, shortly after that, when President Clinton was elected, he fired all of

the Republican U.S. attorneys across the country and replaced them with his own people, and he replaced the gentleman in Little Rock with his former law student. Her name is Paula Casey. She was appointed by Bill Clinton. He taught her when she was studying law. She worked for Bill Clinton in his campaign, and her husband was appointed to a State job by Governor Clinton. So obviously she had a bias toward President Clinton. I think she probably, because she was a friend of his and was appointed by him, wanted to protect him from any involvement in the Whitewater mess.

Nevertheless, Jean Lewis sent to the attorney in Little Rock, the U.S. attorney, a referral stating that over \$100,000 in Madison funds were illegally funneled into the Whitewater Development Corp. to pay the company's bill. She identified at least a dozen companies that siphoned Madison funds to Whitewater. The Clintons, Bill and Hillary Clinton, were identified as "potential beneficiaries of the check-kiting scheme," her memo stated, and I went into this before, but tonight I want to go into it a little bit more, because there are some new developments that happened over the weekend.

Her memo stated that James McDougal and his partners in Whitewater, including the Clintons, were intelligent individuals, the majority of them attorneys, who must have concluded McDougal was making the payments for their benefit. She also said, "If you know your mortgages are being paid but you are not putting money into the venture, you also know the, venture is not cash-flowing, would you not question the source of funds being used for your benefit?" She also said, "It was my belief that the losses to Madison from the Whitewater account alone would easily exceed \$100,000."

Now, the second referral took place in September of 1993, and Mrs. Lewis' second criminal referral filed in that year charged Madison Savings & Loan had illegally diverted \$60,500 to Bill Clinton's 1984 campaign for Governor.

Her referral charged that the campaign was an alleged participant in the illegal conspiracy. Obviously Bill Clinton would have known about that. The referral also contained additional information on the relationship between Madison Savings & Loan and the Whitewater Development Corp., and then in October 1993, Paula Casey, the U.S. attorney who was a law student taught by Bill Clinton, who was appointed by Bill Clinton, whose husband had been appointed to a State job by Bill Clinton, and who was a personal friend of Bill Clinton, she formally declined to investigate the first criminal investigation that was sent by Miss Lewis to Mrs. Casey.

After Jean Lewis' second criminal referral had been reported to the press,

Paula Casey recused herself from the case. The Justice Department officials in Washington then determined an investigation had to be opened, and Mr. Fiske took over the entire investigation in January of 1994.

On November 10, 1993, Jean Lewis was removed from the Whitewater case allegedly because of a personality conflict. She was doing too good a job digging around and finding out things and bringing to the attention of the U.S. attorney violations of the law which could have resulted in several criminal indictments, and so she was removed from the case because of a "personality conflict" with the attorney on the case.

In a letter typed that day, she said she was ordered off the case by "powers that be."

In February 1994, on February 2, after both of her referrals were made public, Jean Lewis was visited by April Breslaw, an RTC attorney from Washington, DC; according to Mrs. Lewis, April Breslaw pressured her to change her conclusions about the criminal referrals in Madison Savings & Loan and Whitewater. Mrs. Lewis said April Breslaw told her people at the top would be happier if they had answers to the questions about Whitewater that would get them off the hook. Miss Lewis said two of the head people April Breslaw was talking about were the RTC Deputy Chief Officer, Jack Ryan, and RTC General Counsel Ellen Kulka. Jean Lewis recorded the meeting. Congressman JIM LEACH heard the tape and said it substantiated her account of the meeting that they were trying to get her off of everybody's back, particularly the White House. Both Kulka and Ryan worked directly under Deputy Treasury Secretary Roger Altman, the RTC's Acting Director and close friend of the President.

That very same day Roger Altman had a secret meeting at the White House with White House Counsel Bernie Nussbaum to discuss the Whitewater-Madison investigation.

Jean Lewis, even though she was taken off the case, refused to change her views or statements and sought protection as a whistleblower under Federal law.

Now we come to this weekend, and it was reported that Jean Lewis has been relieved of her position with the RTC, as well as two of her superiors. They have taken them, and not only taken them off this case, as they did with Miss Lewis, but now they have removed them completely from the RTC.

I quote now from the paper. "They have been placed on leave, and I have no further comment," said Gene Jankowski, a spokesman for the agency's Kansas City office. However, an agency official in Kansas City, speaking on condition of anonymity, said the three will be under investigation for 'certain matters pertaining to their job performance.'"

So because she has blown the whistle and sent two criminal referrals to Mrs. Casey down in Arkansas, the U.S. attorney down there, a friend of Clinton's, she is now losing her job.

Now, Miss Lewis wrote nine criminal referrals that are at the heart of the Whitewater affair, including the one that named Bill Clinton's 1994 gubernatorial campaign as a beneficiary. Some \$12,000 in Madison Guaranty Savings & Loan Association funds were deposited into Clinton's campaign account at another bank. Those conclusions were being probed by Special Counsel Robert Fiske, replaced last week by former Reagan and Bush administration official Kenneth Starr. Starr is expected to investigate those matters and whether depositor funds were diverted from Madison to the Whitewater Development Corp., owned by S&L owner James McDougal and then Governor Clinton and his wife.

Lee Aussen, who supervises both Iorio and Lewis, was placed on administrative leave as well. They are trying to get him out of his job. The document said all three were instrumental in forwarding the criminal referrals to the Justice Department in the face of initial opposition within the Resolution Trust Corporation.

The move drew immediate reaction from JIM LEACH here on Capitol Hill, the ranking Republican on the Banking Committee. Mr. LEACH said,

I am sure the RTC wouldn't take this step lightly, but this would appear to be a blatant effort to discredit the work product of a criminal investigative unit that has embarrassed the powers that be.

That is, those at the White House and those who support the White House.

Beyond that, Mr. LEACH said it is a little early to say anything more about it.

However, the article goes on,

Their performance was called into question by critics in recent weeks, particularly during the congressional hearings on Whitewater. During the hearings, RTC attorney April Breslaw complained that Lewis surreptitiously recorded a conversation in which Breslaw told her top agency officials would be happy to conclude that Whitewater had not caused a loss to Madison.

So she was upset because, when she went in there trying to get Miss Lewis off the back of the White House and was asking these tough questions and sending criminal referrals down to the U.S. attorney in Little Rock, Paula Casey, that she tape-recorded that conversation, and Miss Breslaw was very, very upset that her words were not only spoken but were recorded and that she could not back out and say she did not say it when she was trying to get all of this investigation stopped.

□ 1900

This whole case stinks to high heaven. This administration is doing everything they can to stop the investigation into Whitewater and into the

Madison Savings & Loan debacle. Now today they have gotten the three people who had the most to do with the criminal referrals to Paula Casey, the attorney in Arkansas, they are trying to get them fired. They are being removed from their job because they are doing their jobs.

This is—you could expect this in the old Soviet Union when the KGB was in charge over there, but you sure would not expect it in this day and age in the United States of America.

I want to talk a little bit about Paula Casey. She is the U.S. attorney in Little Rock. As I said before, she worked on Bill Clinton's Presidential campaign in 1992, she was also one of his law students. Her husband was appointed to a State job by then-Governor Bill Clinton. Jean Lewis, as I just said, made these two criminal referrals, and they did not do anything about them.

Paula Casey let them sit on her desk and would not do anything, even though it stated that \$100,000 from Madison Guaranty Savings & Loan was illegally funneled into the Whitewater Development Corporation. After it sat on her desk all year, Paula Casey, who was appointed by Bill Clinton, refused to investigate it. And then the heat was turned up by the press.

In 1993 the second criminal referral from Jean Lewis was made, and it charged that the money was diverted, \$50,000, to Bill Clinton's 1984 gubernatorial campaign for reelection.

After the second referral, things got so hot in Little Rock that she rescued herself from the case. But why did she not rescue herself from the case in the first place? Because that was the time when we could have gotten to the bottom of this thing. She let it sit there, sit there, sit there, so the coverup could continue.

So why did Jean Lewis's first criminal referral sit on Paula Casey's desk for over a year without any action being taken on it? We are talking about \$100,000 of taxpayers' money.

Why did Paula Casey refuse to open an investigation into Whitewater and Madison Savings & Loan? Why did not Paula Casey, the U.S. attorney appointed by Bill Clinton, recuse herself from the first referral? She has a very serious conflict of interest. I mean it is so apparent. They would have investigated Bill Clinton's connection to Whitewater, Madison Savings & Loan. She was appointed by Clinton, taught by Clinton, her husband got a job from Bill Clinton, and yet she would not let somebody else investigate it. Why not?

Why did Paula Casey not recuse herself from the second criminal referral only after it had been revealed in the press? It is obvious why: Because it got too hot.

Are Paul Casey's actions on this case being investigated by the Justice Department's ethics office? And if they

are not investigating that, then why are they not? Because the Justice Department should be looking into her nonaction for over a year in that first referral.

Now, David Hale, I want to talk about him and Paula Casey's connection here. At the time of the first criminal referral from the RTC was gathering dust on her desk, Paula Casey, the U.S. attorney appointed by Bill Clinton, was negotiating with David Hale. David Hale was the head of the Capital Management Services, Inc., a small-business investment company. He pleaded guilty in Federal court to making fraudulent loans. According to the Wall Street Journal, among his bad loans were \$300,000 to a company controlled by Susan McDougal, a Whitewater partner with her husband, and Bill and Hillary Clinton.

Some \$110,000 of this loan may have ended up in the Whitewater account.

He told reporters that he was pressured by then-Governor Bill Clinton to make the loan to Mrs. McDougal for the \$300,000. Mr. Hale was a former municipal court judge appointed by Bill Clinton. Paula Casey, when she found out all about this, as U.S. attorney down there, should have recused herself from this case immediately. Once she found that out, she should have gotten out and had a special prosecutor start investigating this. There clearly was a conflict of interest in negotiating with a person who had information on the possible wrongdoing of Bill Clinton as Governor of Arkansas, but she chose to let it sit on her desk for a year and not do anything about it.

She was obviously trying to hold the lid on this thing. There was lively correspondence between Randy Coleman, Mr. Hale's attorney, and Paula Casey. Mr. Hale was seeking a negotiated plea bargain, as people who know they are going to go to jail do. That is a normal thing. I am not sure he should let him off, I do not think he should.

Nevertheless, he was trying to negotiate a plea bargain. What he was trying to do was say, "Listen, I will go under cover. I will not tell anybody about this. You don't have to tell anybody. You can wire me, you can put a wire on me and I will go out and talk to all the people involved in the scheme, this \$300,000," including, I suppose, the Clintons, "and then if you think the information that I gather in this plea bargain agreement through the wire and the undercover investigation, then maybe you will give me a lighter sentence."

She would not negotiate with the guy. Evidently, she did not want him to go undercover to find out all the information on the Whitewater-Madison case and \$300,000 loan.

In one of the letters Mr. Coleman wrote to her, Mr. Hale's attorney, he said, "I cannot help but sense the reluctance of the U.S. attorney's office to

enter into plea negotiations in this case. I cannot help but believe that this reluctance is born out of the potential political sensitivity and fallout regarding the information which Mr. Hale could provide to your office, but at the same time, it is information which would be of substantial assistance in investigating the banking and borrowing practices of some individuals in the elite political circles of the State of Arkansas." Now, who do you think he was talking about there?

He was talking about Bill and Hillary Clinton.

"I can certainly understand the reluctance of anyone locally, to engage in these matters, political realities being what they are." In other words, because of all the political pressure down there and because of the political pressure he knew would be on the attorney appointed by Bill Clinton, Paula Casey as the U.S. attorney down there, he knew the political pressure would be so great that they would not try to get to the bottom of it.

And he said, went on to say, "Would it not be appropriate at this point for your office to consider terminating your participation in this investigation and to bring in an independent prosecutorial staff who are not so involved with the history of the personalities and circumstances of the case?" In other words, "let's bring somebody in from outside who will really investigate this thing and prosecute those who need to be prosecuted, who are not tied to all these political leaders down there, including Bill and Hillary Clinton, and who may be involved as direct beneficiaries, according to Mr. Hale, of this \$300,000 loan."

Regarding Mr. Hale's offer of information, Mr. Coleman says, "I have offered an informal pro offer of Mr. Hale's information for evaluation of its quality and content, but it received absolutely no interest," from your office, "in the process." I added the words "in your office."

Now, in subsequent letters, Mr. Coleman reiterates Mr. Hale's willingness to provide information for an undercover operation.

In the view of Mr. Coleman, Paula Casey was not seriously interested in Mr. Hale's offer of information. When Mr. Hale was publicly indicted, any chances of an undercover investigation went right out the window because once it was made public, it was too late.

Again, Paula Casey should have recused herself from the case in the beginning, but since she did not, she should have obtained information from Mr. Hale in order to thoroughly investigate this case. Paula Casey recused herself in November, but by then it was too late to wire Mr. Hale, to have an undercover investigation, to find out who was involved in all this chicanery that led to this \$300,000 loan, part of

which he says went into the Whitewater Corp.

So here are some questions that need to be answered once again: Why did she not, Paula Casey, immediately recuse herself from the case? Why did she show so little interest in the information that Mr. Hale offered? Did Bill Clinton or anyone at the White House or the Justice Department pressure her not to recuse herself from the case? Did Bill Clinton or anyone else at the Justice Department tell her not to pursue the information Mr. Hale offered? And was Paula Casey's lack of interest in pursuing Mr. Hale's information in the best interest of the justice process and the American people?

You know, Mr. Speaker, the more we get into this, the more you can see, and I know the American people do not have the ability to look into this like Members of Congress do and like I have, but the more you get into it, the more it stinks. And the more you get into it, the more you see how they are moving people around trying to keep the lid on the Whitewater-Madison Guaranty Bill Clinton gubernatorial connection. It is just unbelievable.

And now they have gone so far as to take three people who sent criminal referrals to Paula Casey down in Arkansas and they are firing them. They are laying them off. Mr. Speaker, I will tell you, I hope the media will really dig into this. They have been starting to investigate it. I appreciate the media for doing that.

But there is so much to this that needs to be brought to the attention of the American people, I do not see how the White House can keep the lid on this much longer, I really do not. But they are sure doing their very best, dead-level best to do it.

So, Mr. Speaker, I want to say to my colleagues tonight I hope they will read the article that was in the paper today and start asking questions, and I hope many members of the media will. I will be back in the weeks to come to get into more questions about the Whitewater-Madison Guaranty, Paula Casey, Jean Lewis, Mr. Hale connection.

I would just like to say if Jean Hale is paying any attention to this, Mr. Speaker, she really deserves the accolades of the American people for sticking to her guns. She has been under so much pressure, she has been under so much pressure to back off in this RTC investigation. She has, I think, been physically and mentally hurt by all of the adverse pressure that has been brought to bear upon her. But she has hung in there. She is a tough lady. And if she happens to be paying any attention, at least some Members of Congress, some people in this country, think she is to be congratulated for being such a hardworking, patriotic person who is doing her job as an investigator for the RTC.

□ 1910

Mr. Speaker, with that, I will end my special order, but I want to yield to the gentleman from North Carolina [Mr. TAYLOR] so he can conclude his.

Mr. TAYLOR of North Carolina. Mr. Speaker, I appreciate the appearance of the gentleman from Indiana [Mr. BURTON] here tonight in talking about this injustice. I would like to continue to point out a few things about the crime bill.

Mr. Speaker, we are talking about common sense. We are talking about a need to have tough crime laws, well funded crime laws, but we are not getting them in the billion-dollar crime bill.

A lot of people have asked, first of all, "Is this really a crime bill?"

The response is, "Not exactly."

You ask the question, "Doesn't this take out 19 assault weapons that are a scourge in the cities and causing crime all across the country?"

And the response is, "Not exactly."

The gun control portion of the crime bill goes far beyond 19 assault weapons. In fact, the assault weapons, Mr. Speaker, that most people think about, the automatic weapons of mass destruction, are already illegal under previous Federal law. One cannot make them more illegal. Even changing some of the semiautomatic weapons to full automatic weapons is a violation of Federal law, and here again you cannot make that more illegal. It does, however, affect hundreds of sports weapons and weapons that today most people do not think of as automatic weapons.

I mentioned earlier this evening that my son's shotgun that he hunts turkeys with is classified as an automatic weapon because it meets two criteria, and that is all it needs to meet of the list of criteria for shotguns that will determine that it is an automatic weapon. It holds six shots. It can only hold five. It has a curved stock, and it can fit a bayonet which has three.

As I pointed out, my son has not been bayoneting any turkeys, so he is not much of a threat with this weapon. I suggested he put a bayonet on it and try it, but I heard from the society against the bayoneting of turkeys that was formed this evening and objecting to that. I am saying that somewhat in jest, but, when we think that there are weapons that we think of as ordinary sports weapons that will be classified under this law as automatic weapons, you see that it is not exactly 19 assault weapons that it is going after, but a number of weapons that meet the criterion of assault, as defined, and we find that only a small fraction of the crimes in my State, less than one-hundredth of 1 percent nationwide, it is less than three-tenths of 1 percent of the crimes committed are committed with these large assault weapons, and then we ask the question:

"Did the President ask to increase law enforcement for this body?"

Well, not exactly. He came before the budget presented to the subcommittee on appropriations on which I sit on Commerce, Justice and State, and he asked to cut 847 FBI work force, he asked to cut 200 agents from DEA, and he asked to cut the INS. Now that is not exactly bolstering law enforcement.

But you say, "I read 100,000 police are going to be added to the streets of this country." Well, not exactly. When you look at the funding that was passed by Congress; in fact we passed it today already through the conference report, there is enough funding, about \$13,000 per officer, and it is estimated the cost of maintaining that officer is between \$45 and \$65,000. It is estimated that you would be able to put approximately 20,000 officers on the street, not 100,000, and they are not there for long periods of time. First of all, they have to be recruited, not from reserves or necessarily officers that have applied at police departments already. The have to be a special quota of people based on race, and sex, and other sorts of things. This may meet the criterion of a given city, and it may not, but they will only be there for a few years, and then the Federal Government withdraws the funding. The funding runs out, and it is left up to the local communities then to fund those police, and so, if they cannot fund them today, it is not likely they will be able to fund them tomorrow, so even the 20,000 police disappear.

And then we ask the question, "Does this legislation give stronger sentences and tougher sentences?" You know, there was all the talk about three strikes and you're out, and stronger sentencing, and all that sort of thing, and so you ask that question, and the answer is not exactly. It releases 16,000 convicted drug pushers because it abolishes the mandatory sentences for those drug pushers.

In the racial quota section of it—

Mr. BURTON of Indiana. I would just like to say to my colleague I wish you would restate that because I think the American people really need to know that this bill is going to—it is a crime bill supposedly, and it is going to release 16,000 convicted drug dealers back on the streets, 16,000. That is amazing.

Mr. TAYLOR of North Carolina. By abolishing the mandatory sentence that is now in existence, all of these will have a chance to appeal and will probably be released on time served, and so it is expected that some 16,000 convicted drug pushers will be released, and in the future there will be no mandatory sentences, as there are today, for drug pushers. Now most people do not think of that as strengthening sentencing for crime.

Then, as the bill was originally presented, the racial quota section of it actually abolished capital punishment, if you can believe the National Association of District Attorneys. Their

statement was that the racial justice quota system would abolish capital punishment. Now the conference has removed that, and so it is not part of the bill that came before us the other day, but it was in the original bill presented by the President, and most people would not see that as toughening sentencing by abolishing capital punishment.

And then there is the question of the truth-in-sentencing, and everyone wanted to see a situation where the sentences that were given in the States were required to be carried out. In other words, the provision called for 85 percent of the sentence to be served before the individual was eligible for parole.

The bill, as it is now before us, has been watered down substantially. To receive funding local States only have to make progress toward longer sentences. They are not required to see that the convicted felon serves 85 percent of their sentence, as was originally proposed. They only need to see that they make progress in that direction. Here again that is not what most people would think of in getting truth-in-sentencing and in toughening sentencing.

And then finally does the bill give \$10.5 billion for prisons as the conference report claims? Well, not exactly. What it gives is \$2.2 billion less than that because it is estimated that the conference report for purposes—that is \$2.2 billion in the non-trust spending, and this has been referred to on Capitol Hill as funny money, and so the committee has said that it will never be spent, it can only be used as a figure to balloon that figure up to \$10.5 billion. So, you are not getting \$10.5 billion as the conference report suggests for prisons. You are getting \$2.2 billion less than that.

Today's appropriation committee, the Subcommittee on Commerce, Justice and State, appropriated \$15.567 billion for crime prevention and the judiciary. That is passed. It does not require the passage of the crime bill for that to be enacted. It puts back to 1992 levels the number of FBI personnel that were recommended to be removed, and even some removed in the last Congress, and it reinstates INS agents. It also puts back DEA agents. It adds substantial conference spending to stop illegal immigration. There is \$284 million for illegal immigration initiatives. There is over \$130 million to help the States offset some of the costs for jailing illegal aliens. There is \$54.5 million, will allow the hiring of hundreds of additional Border Patrol agents and 100 new support personnel.

□ 1920

There is additional funding for DEA and FBI to 1992 levels. So this Congress is making progress on real crime spending, on real crime control. I think

the reason that both Democrats and Republicans killed the rule was because it is being pushed as something that it is not. When the American people ask, did we pass a bill that would be tough on crime, that would provide money for real crime prevention, I think this body wants to say something more than "not exactly."

Mr. BURTON of Indiana. Let me just add a couple of other concerns I had. I was not going to talk about the crime bill, but since my colleague has done such an eloquent job of discussing it, there is a couple of other concerns I had.

Both the House and Senate put provisions in the bill which dealt with sex offenders who would move from one State to another, convicted sex offenders that would rape women or molest children. There was a program that was to be initiated in the legislation which would inform communities through computerization if a person was a convicted section offender, if they applied for jobs in day care centers or in other places where they might have an opportunity to perpetrate those kinds of crimes or atrocities on women or children again.

That provision was changed dramatically in the bill to where it really is not going to be able to do the job that we wanted. I think everybody in this country that is conversant with the child molesting that is going on, the rapes that are taking place, and the violent attacks on women, though that this provision was something that was essential and should have been in that bill. They watered it down in conference committee. So when the rule came back, I think many people, myself included, thought that that was something that should have been left in there, and that was one of the reasons why we voted against the rule.

The last thing that concerns many of us is the \$9.3 billion, \$9,300 million, that they have in there social programs.

Now, midnight basketball might be something that is beneficial in certain communities, and maybe we ought to do something like that. I do not know. But why not vote on that separately, on a straight up and down vote, instead of adding it into this bill as part of a social engineering program?

There is so much money that is being spent, at a time when our deficit is out of control and the national debt continues to rise in a very rapid manner.

So I think that what we should do, there was an article in the paper today talking about bringing these amendments up one at a time and allowing the American people to judge their Congressmen and Congresswomen based on the votes we cast on each one of these provisions. Do we wanted \$9.3 billion for these social programs, midnight basketball and everything else? We should be allowed to be accountable

for that, instead of having it in a 700-page bill. Do we want provisions in there to make sure every community in the country will know if a convicted child molester or rapist comes in that community and gets a job that might allow him to do it again? There are things that we should be talking about. These are things the American people would like to see us vote on. But we are not getting a chance to. They are bringing it out in a bill that thick that nobody has read. We are going to find out when we go home a lot of things we have not talked about are in that bill. That is doing a disservice to the American people.

We do not need any more omnibus bills, these Christmas-tree bills with everything under the sun in them that we cannot possibly read or understand until 3 or 4 days from the time we get the bill to the time we pass it.

So I agree with my colleague. There are a lot of things wrong with this bill, and I think we should defeat the rule and the bill in its present form. If we make some changes that make it palatable, let us have time to study it before we pass it.

Mr. TAYLOR of North Carolina. I would like to say just briefly, most people did not understand what the vote on the rule meant. The closed rule means that we would not be allowed to make any amendments, as the gentleman has suggested we should be making to this bill. The public would not see any debate, there would be no opportunity for amendment. It would have to be voted on, the entire \$33 billion, up or down in one swoop. I think the public wants to see more deliberation by this body. They want to see more individual votes, and have some understanding of each part.

I appreciate the gentleman taking the time to point this out for the public.

Mr. BURTON of Indiana. I agree with you. If there is one thing the American people want, it is accountability. You do not get it in this bill.

#### CONFERENCE REPORT ON H.R. 4603

Mr. MOLLOHAN submitted the following conference report and statement on the bill (H.R. 4603) making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies programs for the fiscal year ending September 30, 1995, and making supplemental appropriations for these departments and agencies for the fiscal year ending September 30, 1994, and for other purposes:

#### CONFERENCE REPORT (H. Rept. 103-708)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4603) "making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies programs for the fiscal year ending September 30, 1995, and

making supplemental appropriations for these departments and agencies for the fiscal year ending September 30, 1994, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 5, 7, 9, 11, 12, 13, 14, 17, 36, 37, 43, 44, 47, 48, 49, 63, 66, 68, 71, 74, 76, 85, 86, 87, 89, 90, 91, 94, 96, 98, 99, 106, 109, 116, 117, 121, 124, 132, 133, 134, 135, 136, 137, 138, 142, 143, 151, and 157.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 10, 18, 26, 30, 32, 39, 40, 42, 51, 54, 56, 69, 78, 79, 81, 83, 102, 103, 104, 113, 114, 120, 122, 128, 130, 146, 148, 149, 153, 156, 160, 161, and 162, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$98,100,000; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$62,000,000; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: : *Provided, That of the funds made available in fiscal year 1995 under chapter A of subpart 2 of Part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended: (a) \$2,000,000 shall be available for the District of Columbia Metropolitan Area Drug Enforcement Task Force; (b) not to exceed \$500,000 shall be available to make grants or enter contracts to carry out the Denial of Federal Benefits program under the Controlled Substances Act, as amended by the Crime Control Act of 1990 (21 U.S.C. 862); and (c) \$500,000 shall be available to carry out the provisions of the Anti Car Theft Act of 1992 (Public Law 102-519), for grants to be used in combating motor vehicle theft, of which \$200,000 shall be available pursuant to subtitle B of title I of said Act, and of which \$300,000 shall be available pursuant to section 306 of title III of said Act: Provided further, That funds made available in fiscal year 1995 under subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, may be obligated for programs for the prosecution of driving while intoxicated charges and the enforcement of other laws relating to alcohol use and the operation of motor vehicles*

, and

on page 3 line 10 through and including line 12 of the House engrossed bill, H.R. 4603, strike "": (c) \$6,000,000 shall be available for implementation of the Federal Bureau of Investigation's National Instant Background Check System"; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

Delete the matter stricken by said amendment and delete the matter inserted by said amendment

, and

strike all on page 4, line 10 of the House engrossed bill, H.R. 4603, and all that follows down through and including line 6 on page 5; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$120,185,000; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

Delete the matter stricken by said amendment, and delete the matter inserted by said amendment

, and

strike all on page 8, line 5 and all that follows down to and including line 10 of the House engrossed bill, H.R. 4603; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$417,202,000; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

Delete the matter stricken by said amendment and delete the matter inserted by said amendment

, and

strike all on page 11, line 9 and all that follows done to and including line 14 of the House engrossed bill, H.R. 4603; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: \$80,655,000: *Provided, That notwithstanding any other provision of law, not to exceed \$39,640,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvement Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced as such offsetting collections are received during fiscal year 1995, so as to result in a final fiscal year 1995 appropriation estimated at not more than \$41,015,000: Provided further, That any fees received in excess of \$39,640,000 in fiscal year 1995 shall remain available until expended, but shall not be available for obligation until October 1, 1995; and the Senate agree to the same.*

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$829,723,000; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate num-

bered 23, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *In addition, for all reasonable and necessary expenses to implement the Attorney General's Violent Crime Task Force Initiatives in the United States Attorney Offices, \$15,000,000, to remain available until expended, including the reasonable and necessary expenses of intergovernmental, interlocal, cooperative and task force agreements, however denominated, and contracts with State and local prosecutive and law enforcement agencies engaged in the investigation and prosecution of crimes of violence and drug trafficking crimes.*

And the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *\$103,190,000, as authorized by 28 U.S.C. 589a(a), to remain available until expended, for activities authorized by section 115 of the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554), of which \$62,593,000 shall be derived from the United States Trustee System Fund: Provided, That deposits to the Fund are available in such amounts as may be necessary to pay refunds due depositors: Provided further, That, notwithstanding any other provision of law, not to exceed \$40,597,000 of offsetting collections derived from fees collected pursuant to section 589a(f) of title 28, United States Code, as amended by section 111 of Public Law 102-140 (105 Stat. 795), shall be retained and used for necessary expenses in this appropriation: Provided further, That the \$103,190,000 herein appropriated shall be reduced as such offsetting collections are received during fiscal year 1995, so as to result in a final fiscal year 1995 appropriation estimated at not more than \$62,593,000: Provided further, That any of the aforementioned fees collected in excess of \$40,597,000; and the Senate agree to the same.*

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$396,847,000; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$374,943,000; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$2,206,871,000; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$757,204,000; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$1,102,671,000; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

Delete the matter stricken by said amendment and delete the matter inserted by said amendment

, and

strike all on page 22, line 12 and all that follows down to and including line 22 of the House engrossed bill, H.R. 4603; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: \$50,000,000; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: \$75,000,000; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$280,000,000; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 110. Paragraph 524(c)(9) of title 28, United States Code, is amended by adding subparagraph (E), as follows:

"(E) Subject to the notification procedures contained in section 605 of Public Law 103-121, and after satisfying the transfer requirement in subparagraph (B) above, any excess unobligated balance remaining in the Fund on September 30, 1994 shall be available to the Attorney General, without fiscal year limitation, for any federal law enforcement, litigative/prosecutive, and correctional activities, or any other authorized purpose of the Department of Justice. Any amounts provided pursuant to this section may be used under authorities available to the organization receiving the funds."

And the Senate agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 112. Section 1404(a)(5)(B) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(a)(5)(B)) is amended by striking "1994" and inserting "1995".

SEC. 113. Notwithstanding any other provision of law—

(a) No transfers may be made from Department of Justice accounts other than those authorized in this Act, or in previous or subsequent appropriations acts for the Department of Justice, or in part II of title 28 of the United States Code, or in section 10601 of title 42 of the United States Code.

(b) No appropriation account within the Department of Justice shall have its allocation of funds controlled by other than an apportionment issued by the Office of Management and Budget or an allotment advice issued by the Department of Justice.

And the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment, insert the following: SEC. 114.

And insert the following:

SEC. 115.

(a) IN GENERAL.—Except as provided in subsection (c), an individual described in subsection (b) may be appointed noncompetitively, under a career or career-conditional appointment, to a position in the competitive service if—

(1) the individual meets the qualification requirements prescribed by the Office of Personnel Management for the position to which appointed;

(2) the last previous Federal employment of the individual was as an employee of the Criminal Justice Information Services Division of the Federal Bureau of Investigation; and

(3) the individual is appointed to such position within two years after separating from the Criminal Justice Information Services Division.

(b) INDIVIDUAL DESCRIBED.—An individual described in this subsection is an individual who—

(1) on the date of the enactment of this Act—

(A) is an employee of the Criminal Justice Information Services Division of the Federal Bureau of Investigation; and

(B) is serving in an appointed position (i) to be relocated from Washington, District of Columbia, to Clarksburg, West Virginia, and (ii) that is excepted by law or regulation from the competitive service; and

(2) has not relocated with his or her position in the Criminal Justice Information Services Division to Clarksburg, West Virginia.

(c) APPLICATION.—This section does not apply to an individual serving on the date of the enactment of this Act in an appointed position on a temporary or term basis.

(d) This section may be cited as the "Criminal Justice Information Services Placement Assistance Act".

And the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$9,000,000; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$233,000,000; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum "\$166,832,000" insert: \$185,232,000 and in lieu of the sum "\$50,432,000" insert: \$68,832,000; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate num-

bered 55, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: \$94,428,000: Provided, That notwithstanding any other provision of law, not to exceed \$39,640,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced as such offsetting collections are received during fiscal year 1995, so as to result in a final fiscal year 1995 appropriation estimated at not more than \$54,788,000: Provided further, That any fees received in excess of \$39,640,000 in fiscal year 1995 shall remain available until expended, but shall not be available for obligation until October 1, 1995: Provided further, That section 605 of Public Law 101-162 (103 Stat. 1031), as amended, is further amended by striking "\$25,000" and inserting in lieu thereof "\$45,000"; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum "\$900,000" named in said amendment, insert: \$74,856,000; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$265,000,000; and the Senate agree to the same.

Amendment numbered 59:

That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows:

Delete the matter stricken by said amendment and in lieu of the sum "\$554,000,000" insert: \$525,000,000; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$1,835,000,000; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows:

Restore the matter stricken of said amendment, amended to read as follows: That notwithstanding 31 U.S.C. 3302 but consistent with other existing law, in addition to fees currently being assessed and collected, additional fees shall be assessed, collected, and credited to this appropriation as offsetting collections to be available until expended, to recover the costs of administering marine sanctuary and aeronautical charting programs: Provided further, That the sum herein appropriated from the general fund shall be reduced as such additional fees are received during fiscal year 1995, so as to result in a final general fund appropriation estimated at not more than \$1,829,000,000: Provided further, That any such additional fees received in excess of \$6,000,000 in fiscal year 1995 shall not be available for obligation until October 1,

1995: Provided further, and the Senate agree to the same.

#### Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: : *Provided further, That hereafter all receipts received from the sale of aeronautical charts that result from an increase in the price of individual charts above the level in effect for such charts on September 30, 1993, shall be deposited in this account as an offsetting collection and shall be available for obligation: Provided further, That grants to States pursuant to sections 306 and 306(a) of the Coastal Zone Management Act, as amended, shall not exceed \$2,000,000 and shall not be less than \$500,000, and any grant made in fiscal year 1995 to a State which did not receive funding under this program in fiscal year 1994 shall not exceed \$800,000: Provided further, That of the total amount appropriated in this paragraph, \$16,000,000 shall be available for the integrated program office for convergence of civilian and military polar-orbiting meteorological satellites; and the Senate agree to the same.*

#### Amendment numbered 64:

That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *\$97,600,000; of which \$2,500,000 is for a grant to the City of Kansas City, Missouri, for development of a weather and environmental center; and of which the following amounts shall be available to carry out continuing construction activities: \$3,500,000 for a grant for construction of a Multispecies Aquaculture Center in the State of New Jersey; \$1,000,000 for a grant to the Mystic Seaport, Mystic, Connecticut, for a maritime education center; \$5,200,000 for a grant to the Center for Interdisciplinary Research and Education in Indiana; and \$2,000,000 for a grant for the construction of the Massachusetts Biotechnology Research Institute in Boston; and all sums in this paragraph are; and the Senate agree to the same.*

#### Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

#### FISHING VESSEL OBLIGATIONS GUARANTEES

For the cost, as defined in section 502 of the Federal Credit Reform Act of 1990, of guaranteed loans authorized by the Merchant Marine Act of 1936, as amended, \$250,000: *Provided, That none of the funds made available under this heading may be used to guarantee loans for the purchase of any new or existing fishing vessel.*

And the Senate agree to the same.

#### Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert *\$136,000,000*; and the Senate agree to the same.

#### Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *\$266,450,000, to remain available until expended;*

*of which \$930,000 is for a grant to the Michigan Biotechnology Institute; \$1,000,000 is for a grant to the Emerging Technologies Institute in Sacramento, California; \$1,700,000 is for a grant to the Massachusetts Biotechnology Research Institute; \$1,200,000 is for a grant to the Center for Global Competitiveness in Loretto, Pennsylvania; and \$3,400,000 is for a grant to the Textile Clothing Technology Center; and the Senate agree to the same.*

#### Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *\$43,900,000, of which \$31,872,000 shall remain available until expended: Provided, That \$600,000 is available only for a grant for the NTTC to implement a Minority Apprenticeship Program in Technology Management; \$100,000 is available only for a grant for a Minority Economic Opportunity Center in Cleveland, Ohio; and \$200,000 is available only for a grant for the U.S.-Africa Trade and Technology Center in Savannah, Georgia; and the Senate agree to the same.*

#### Amendment numbered 73:

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$16,407,000*; and the Senate agree to the same.

#### Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *\$83,000,000, to remain available until expended, of which \$6,000,000 is available only for the acquisition of high performance computing capability: Provided, That of the offsetting collections credited to this account, \$2,195,000 are permanently canceled: Provided further, That the funds made available under this heading are*

, and

on page 48, line 23 of the House engrossed bill, H.R. 4603, strike "to remain available until expended,"; and the Senate agree to the same.

#### Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum "\$12,000,000" insert: *\$8,000,000*; and the Senate agree to the same.

#### Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$29,000,000*; and the Senate agree to the same.

#### Amendment numbered 82:

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert *\$64,000,000*; and the Senate agree to the same.

#### Amendment numbered 84:

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *and for trade adjustment assistance, \$408,024,000; and the Senate agree to the same.*

#### Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$24,240,000*; and the Senate agree to the same.

#### Amendment numbered 92:

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$2,340,127,000*; and the Senate agree to the same.

#### Amendment numbered 93:

That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$59,346,000*; and the Senate agree to the same.

#### Amendment numbered 95:

That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$47,500,000*; and the Senate agree to the same.

#### Amendment numbered 97:

That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$8,800,000*; and the Senate agree to the same.

#### Amendment numbered 100:

That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *\$76,100,000*

, and

on page 63, line 4 of the House engrossed bill, H.R. 4603, after "priorated," insert the following:

*Of the budgetary resources available to the Maritime Administration of the Department of Transportation during fiscal year 1995, \$360,000 are permanently canceled. The Secretary of Transportation shall allocate the amount of budgetary resources canceled among the Department's Maritime Administration accounts available for procurement and procurement-related expenses. Amounts available for procurement and procurement-related expenses in each such account shall be reduced by the amount allocated to such account. for the purposes of this paragraph, the definition of "procurement" includes all stages of the process of acquiring property or services, beginning with the process of determining a need for a product or services and ending with contract completion and close-out, as specified in 41 U.S.C. 403(2).*

And the Senate agree to the same.

#### Amendment numbered 101:

That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$150,000,000*; and the Senate agree to the same.

#### Amendment numbered 105:

That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: \$258,175,000 of which \$15,000,000 shall be available to implement section 24 of the Small Business Act, as amended, including \$500,000 to be made available only to the City of Buffalo, New York: *Provided, That section 24(e) of the Small Business Act (15 U.S.C. 651(e)) is amended by striking "fiscal years 1992 through 1994" and inserting in lieu thereof "fiscal years 1995 through 1997";* *Provided further, That section 112(c)(2) of the Small Business Administration Reauthorization and Amendment Act of 1988 (102 Stat. 2996) is amended by striking "October 1, 1994" and inserting "October 1, 1997";* and the Senate agree to the same.

**Amendment numbered 107:**

That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$77,375,000; and the Senate agree to the same.

**Amendment numbered 108:**

That the House recede from its disagreement to the amendment of the Senate numbered 108, and agree to the same with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert: \$3,375,000; and the Senate agree to the same.

**Amendment numbered 110:**

That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$9,596,000; and the Senate agree to the same.

**Amendment numbered 111:**

That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: \$278,305,000 as authorized by 15 U.S.C. 631 note, of which \$1,216,000, to be available until expended, shall be for the Microloan Guarantee program, and of which the following shall remain available until September 30, 1996: \$15,990,000 for the Small Business Investment Company Debentures Program; \$7,398,000 for the Specialized Small Business Investment Company Program; and \$20,457,000 for the Small Business Investment Company Participating Securities Program, and of which \$30,000,000 shall be used to pre-pay the Federal Financing Bank for debentures guaranteed by the Administration pursuant to section 503 of the Small Business Investment Act: *Provided, that such costs, including the cost of modifying such loans, shall be as defined in section 602 of the Congressional Budget Act of 1974.* In addition, for expenses not otherwise provided for, of the Small Business Administration, \$27,350,000 of which: \$750,000 shall be available for a grant to the North Carolina Biotechnology Center for a demonstration project which would integrate small business formation and preparation of a biotechnology workforce; \$500,000 shall be available for continuation of a grant to the Van Emmons Population marketing Analysis Center, Towanda, Pennsylvania, for an integrated small business data base to assist Appalachian Region small businesses; \$1,000,000 shall be available for continuation of a grant to the City of Prestonsburg, Kentucky, for small business development assistance; \$375,000 shall be available for a grant to the State of Nebraska for establishing the Nebraska Micro Enterprise Initiative to include a clearinghouse and training and counseling programs; \$3,000,000 shall be available for continuation of a grant to the Na-

tional Center for Genome Resources in New Mexico to provide consulting assistance, information and related services to small businesses and for related purposes; \$1,000,000 shall be available for continuation of a grant for the Genesis Small Business Incubator Facility, Fayetteville, Arkansas; \$500,000 shall be available for a grant to an entity in Bozeman, Montana, to establish a small business assistance center to assist small businesses to qualify and participate in the Small Business Innovation Research (SBIR) program; \$1,000,000 shall be available for continuation of a grant to Center for Entrepreneurial Opportunity in Greensburg, Pennsylvania, to provide for a small business consulting and assistance center for entrepreneurial opportunities; \$1,500,000 for a grant to a consortium in Buffalo, New York, to provide assistance to small businesses for technical improvement of commercial industrial products; \$250,000 shall be available for a grant to the Western Massachusetts Enterprise Fund to expand microlending to entrepreneurs and small businesses; \$400,000 shall be available for continuation of a grant to the State of Ohio, Department of Development, International Trade Division to assist small businesses to expand export opportunities; \$1,000,000 shall be available for continuation of a grant to assist the development of a small business consulting, information and assistance center in hazard, Kentucky; \$2,000,000 shall be available for continuation of a grant to the WVHFC Foundation for build-out, equipment, and operations costs for a small business incubator facility and for an outreach grant program to assist small business economic development; \$125,000 shall be available for a grant to an organization in Bowling Green, Kentucky, to establish a small business pilot program to convert municipal waste into a marketable product; \$2,500,000 shall be available for a grant to the City of Carbondale, Pennsylvania, to establish and operate a small business incubator facility; \$500,000 shall be available for continuation of a grant to the New York City Public Library for construction and related costs for the Industry and Business Library; \$200,000 shall be available for continuation of a grant to assist the Small Business Institute program of the Small Business Administration to establish and operate a National Data Center Small Business Institute program in Conway, Arkansas; \$4,000,000 shall be available for a grant to the Unified Technology Center in Cleveland, Ohio, to assist small businesses in the design of high quality environmentally sound processes; \$1,250,000 shall be available for a grant to the City of Whitesburg, Kentucky, to develop and equip a facility to promote the development of small businesses and enhance economic development; \$2,500,000 shall be available for a grant to the City of Wheeling, West Virginia, for the Oglebay Small Business Rural Development Center; \$1,000,000 shall be available for a grant for a Small Business Development Institute in North Philadelphia, Pennsylvania, for a facility to assist and train minority small businesses; \$250,000 shall be available for continuation of a grant to the City of Espanola, New Mexico, for the second phase of the development of the Espanola Plaza project to assist small businesses and enhance economic development; \$1,000,000 shall be available for a grant to North Central West Virginia Community Action to establish a small business rural enterprise training interstate and microloan demonstration program; \$500,000 shall be available for a grant to the Mississippi Delta Small Business Technology Project, Little Rock, Arkansas for technology education for small business owners and employees; and \$250,000 shall be available for a grant to establish a small business incubator facility in West Charlotte, North Carolina

, and  
on page 68, line 5 of the House engrossed bill, H.R. 4603, strike ", as authorized by" and all that follows through "note" on line 6, page 68.

And the Senate agree to the same.  
Amendment numbered 112:  
That the House recede from its disagreement to the amendment of the Senate numbered 112, and agree to the same with an amendment, as follows:  
Delete the matter proposed by said amendment

, and  
on page 68, line 6 of the House engrossed bill, H.R. 4603, strike "of which \$30,000,000 shall be used" and all that follows down to and including the period on line 12, page 68.  
And the Senate agree to the same.

Amendment numbered 115:  
That the House recede from its disagreement to the amendment of the Senate numbered 115, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment, insert: SEC. 402.  
And the Senate agree to the same.

Amendment numbered 118:  
That the House recede from its disagreement to the amendment of the Senate numbered 118, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$1,731,416,000  
; and the Senate agree to the same.

Amendment numbered 119:  
That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *Provided, That hereafter all receipts received from a new charge from expedited passport processing shall be deposited in this account as an offsetting collection and shall be available until expended: Provided further, That hereafter all receipts received from an increase in the charge for Immigrant Visas in effect on September 30, 1994, caused by processing an applicant's fingerprints, shall be deposited in this account as an offsetting collection and shall remain available until expended. Of the funds appropriated under this heading: not to exceed \$4,000,000 shall be available for grants, contracts, and other activities to conduct research and promote international cooperation and environmental and other scientific issues; not to exceed \$600,000 shall be available to carry out the activities of the Commission on Protecting and Reducing Government Secrecy; and not to exceed \$300,000 shall be available to carry out activities of the Office of Cambodian Genocide Investigations. None of the funds appropriated under this heading shall be available to carry out the provisions of section 101(b)(2)(E) of Public Law 103-236.*

Of the funds provided under this heading, \$28,356,000 shall be available only for the Diplomatic Telecommunications Service for operation of existing base services and \$15,000,000 shall be available only for the enhancement of the Diplomatic Telecommunications Service (DTS), except that such latter amount shall not be available for obligation until the expiration of the 15-day beginning on the date on which the Secretary of State and the Director of the Diplomatic Telecommunications Service Program Office submit the DTS planning report required by section 507, and the Senate agree to the same.

Amendment numbered 123:  
That the House recede from its disagreement to the amendment of the Senate numbered 123, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *not to exceed \$117,864,000; and the Senate agree to the same.*

Amendment numbered 125:

That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

*\$877,222,000, of which not to exceed \$4,000,000 is available to pay arrearages, the payment of which shall be directed toward special activities that are mutually agreed upon by the United States and the respective international organization; and the Senate agree to the same.*

Amendment numbered 126:

That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment, as follows:

After the word "taken" in said amendment, insert: *, and anticipated;* and the Senate agree to the same.

Amendment numbered 127:

That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *\$533,304,000, of which not to exceed \$288,000,000 is available to pay arrearages accumulated in fiscal year 1994 and not to exceed \$23,092,000 is available to pay other outstanding arrearages: Provided, That funds shall be available for peacekeeping expenses only upon a certification by the Secretary of State to the appropriate committees of the Congress that American manufacturers and suppliers are being given opportunities to provide equipment, services and material for the United Nations peacekeeping activities equal to those being given to foreign manufacturers and suppliers; and the Senate agree to the same.*

Amendment numbered 129:

That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *\$6,644,000*

, and

on page 82, line 11 of the House engrossed bill, H.R. 4603, strike "*\$15,000,000*" and insert in lieu thereof *\$10,000,000.*

And the Senate agreed to the same.

Amendment numbered 131:

That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment, as follows:

In subsection (c) of said amendment, after "1994" insert the following: *and shall cease to have effect on October 1, 1997; and the Senate agree to the same.*

Amendment numbered 139:

That the House recede from its disagreement to the amendment of the Senate numbered 139, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 507.(a) DIPLOMATIC TELECOMMUNICATIONS SERVICE FINANCIAL MANAGEMENT.—In fiscal year 1995 and each succeeding fiscal year—

(1) the Secretary of State shall provide funds for the operation of the Diplomatic Telecommunications Service (DTS) in a sufficient amount to sustain the current level of support services being provided by the DTS, and no portion of such amount may be reprogrammed or transferred for any other purpose;

(2) all funds for the operation and enhancement of the DTS shall be directly available for use by the Diplomatic Telecommunications Service Program Office (DTS-PO); and

(3) the DTS-PO financial management officer shall be provided direct access to the Department of State financial management system to independently monitor and control the obligation and expenditure of all funds for the operation and enhancement of the DTS.

(b) DTS POLICY BOARD.—Within 60 days after the date of the enactment of this Act, the Secretary of State and the Director of the DTS-PO shall restructure the DTS Policy Board to provide for representation on the Board, during fiscal year 1995 and each succeeding fiscal year, by—

(1) the Director of the DTS-PO;

(2) the senior information management official from each agency currently serving on the Board;

(3) a senior career information management official from each of the Department of Commerce, the United States Information Agency, and the Defense Intelligence Agency; and

(4) a senior career information management official from each of 2 other Federal agencies served by the DTS, each of whom shall be appointed on a rotating basis by the Secretary of State and the Director of the DTS-PO for a 2-year term.

(c) DTS CONSOLIDATION PILOT PROGRAM.—

(1) IN GENERAL.—The Secretary of State and the Director of the DTS-PO shall carry out a program under which total DTS consolidation will be completed before October 1, 1995, at not less than five embassies of medium to large size.

(2) PILOT PROGRAM REQUIREMENTS.—Under the program required in paragraph (1)—

(A) each participating embassy shall be provided with a full range of integrated information services, including message, data, and voice, without additional charge;

(B) a combined transmission facility shall be established and jointly operated, with open access to all unclassified transmission equipment;

(C) an unclassified packet switch communication system shall be installed and shall serve all foreign affairs agencies associated with the embassy;

(D) separate classified transmission systems (including MERCURY) shall be terminated; and

(E) all foreign affairs agency systems requiring international communications capability shall obtain such capability solely through the DTS.

(3) PILOT PROGRAM REPORT.—Not later than January 15, 1996, the Secretary of State and the Director of the DTS-PO shall submit to the Committees on Appropriations of the House and Senate a report describing the actions taken under the program required by this subsection. The report shall include a cost-benefit analysis for each embassy participating in the program.

(d) DTS PLANNING REPORT.—Not later than January 15, 1995, the Secretary of State and the Director of the DTS-PO shall submit to the Committees on Appropriations a DTS planning report. The report shall include—

(1) a detailed plan for carrying out the pilot program required by subsection (c), including an estimate of the funds required for such purpose; and

(2) a comprehensive DTS strategy plan that contains detailed plans and schedules for—

(A) an overall DTS network configuration and security strategy;

(B) transition of the existing dedicated circuits and classified transmission systems to the unclassified packet switch communications system;

(C) provision of a basic level of voice service for all DTS customers;

(D) funding of new initiatives and of replacement of current systems;

(E) combining existing DTS network control centers, relay facilities, and overseas operations; and

(F) reducing the extensive reliance of DTS-PO on the full-time services of contractors.

And the Senate agree to the same.

Amendment numbered 140:

That the House recede from its disagreement to the amendment of the Senate numbered 140, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following: *of which not less than \$9,500,000 is available until expended only for activities related to the implementation of the Chemical Weapons Convention, and; and the Senate agree to the same.*

Amendment numbered 141:

That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment, as follows:

In lieu of the sum provided by said amendment, insert: *\$42,500,000; and the Senate agree to the same.*

Amendment numbered 144:

That the House recede from its disagreement to the amendment of the Senate numbered 144, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$238,279,000; and the Senate agree to the same.*

Amendment numbered 145:

That the House recede from its disagreement to the amendment of the Senate numbered 145, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *\$500,000 is available for the Mike Mansfield Fellowship Program; and the Senate agree to the same.*

Amendment numbered 147:

That the House recede from its disagreement to the amendment of the Senate numbered 147, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *\$468,796,000*

, and

on page 89, line 26 of the House engrossed bill, H.R. 4603 strike "*\$239,735,000*" and insert in lieu thereof *\$229,735,000.*

And the Senate agree to the same.

Amendment numbered 150:

That the House recede from its disagreement to the amendment of the Senate numbered 150, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following: *Provided further, That funds appropriated under this Act used by the Board of International Broadcasting or the Broadcasting Board of Governors to relocate offices or operations of RFE/RL, Incorporated, from Munich, Germany, to Prague, Czech Republic, shall be made available only from funds provided for the Board for International Broadcasting in this paragraph: Provided further, That none of the funds provided by this Act for the United States Information Agency, except for amounts made available for transfer to the Board for International Broadcasting, shall be available for any excess cost to implement the plan required by Sec. 310 of Public Law 103-236: Provided further, That no funds appropriated under this heading may be expended for the payment of retroactive operating costs, including rent on facilities, in Prague, or for the payment of operating costs prior to the date of signing a lease by RFE/RL, Incorporated: Provided further, That not less than the amount appropriated by this Act for the Office of Inspector General, Board for International Broadcasting shall be available for*

semiannual reviews of RFE/RL, Incorporated and that on-site review is maintained at the current level throughout the duration of the relocation transition; and the Senate agree to the same.

Amendment numbered 152:

That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

#### RADIO FREE ASIA

For expenses necessary to carry out the Radio Free Asia program as authorized by section 309 of the International Broadcasting Act of 1994 (title III of the Foreign Relations Authorization Act of 1994, Public Law 103-236), \$10,000,000, to remain available until expended.

#### BROADCASTING TO CUBA

For expenses necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act, as amended (22 U.S.C. 1465 et seq.) (providing for the Radio Marti Program or Cuba Service of the Voice of America), the Television Broadcasting to Cuba Act (22 U.S.C. 1465aa et seq.) and the International Broadcasting Act of 1994 (title III of the Foreign Relations Authorization Act of 1994, Public Law 103-236), including the purchase, rent, construction, and improvement of facilities for radio and television transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception, \$24,809,000, to remain available until expended.

And the Senate agree to the same.

Amendment numbered 154:

That the House recede from its disagreement to the amendment of the Senate numbered 154, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum named in said amendment, insert: \$4,000,000; and the Senate agree to the same.

Amendment numbered 155:

That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: \$34,000,000; and the Senate agree to the same.

Amendment numbered 158:

That the House recede from its disagreement to the amendment of the Senate numbered 158, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment, insert: SEC. 609.

And the Senate agree to the same.

Amendment numbered 159:

That the House recede from its disagreement to the amendment of the Senate numbered 159, and agree to the same with an amendment, as follows:

In lieu of the heading, "Sec. 611. Religious Liberty," in said amendment, insert: SEC. 610.

, and

in subsection (b)(1) after "guidelines", insert: at this time; and the Senate agreed to the same.

Amendment numbered 163:

That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert:

## TITLE VIII—DEPARTMENT OF JUSTICE

### OFFICE OF JUSTICE PROGRAMS

#### STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance to carry out the provisions of subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Acts of 1968, as amended, notwithstanding the provisions of section 511 of said Act, \$450,000,000, to remain available until expended, for the Edward Byrne Memorial State and Local Law Enforcement Assistance Grant Program.

#### STATE CRIMINAL RECORDS UPGRADE

For grants, contracts, cooperative agreements, and other assistance authorized by section 106(b) of the Brady Handgun Violence Prevention Act of 1993, Public Law 103-159 (107 Stat. 1536), \$100,000,000, to remain available until expended, of which up to \$6,000,000 may be used for implementation of the Federal Bureau of Investigation's National Instant Background Check System: Provided, That not to exceed one percentum of the amount appropriated herein shall be available for salaries and expenses for management and administration to be transferred to and merged with the appropriations for Justice Assistance.

#### STATE CORRECTIONAL GRANTS

For grants to States to develop, construct, or expand military style boot camp prison programs which include coordinated, intensive aftercare services for inmates following release, \$24,500,000, to remain available until expended: Provided, That not to exceed one percentum of the amount appropriated herein shall be available for salaries and expenses for management and administration to be transferred to and merged with the appropriations for Justice Assistance.

#### DRUG COURTS

For grants, contracts, cooperative agreements, and other assistance to implement drug court programs which combine intensive probationary supervision and mandatory drug testing and treatment as an alternative punishment for young, non-violent drug offenders, \$29,000,000, to remain available until expended: Provided, That not to exceed one percentum of the amount appropriated herein shall be available for salaries and expenses for management and administration to be transferred to and merged with the appropriations for Justice Assistance.

#### GRANTS TO COMBAT VIOLENT CRIMES AGAINST WOMEN

For grants, contracts, cooperative agreements, and other assistance to develop and strengthen effective law enforcement and prosecution strategies to combat violent crimes against women, and to develop and strengthen victim services in cases involving crimes against women, \$26,000,000, to remain available until expended: Provided, That not to exceed one percentum of the amount appropriated herein shall be available for salaries and expenses for management and administration to be transferred to and merged with the appropriations for Justice Assistance.

#### OUNCE OF PREVENTION COUNCIL

For grants by the Ounce of Prevention Council, \$1,500,000, to remain available until expended.

#### STATE CRIMINAL ALIEN ASSISTANCE PROGRAM

For necessary expenses, as authorized by section 501 of the Immigration Reform and Control Act of 1986, as amended (8 U.S.C. 1365), \$130,000,000, to remain available until expended: Provided, That the Attorney General shall promulgate regulations to (a) prescribe requirements for program participation eligibility for States, (b) require verification by States of the eligible incarcerated population data with the Immigration and Naturalization Service, (c) pre-

scribe a formula for distributing assistance to eligible States, and (d) award assistance to eligible State: Provided further, That of the amount appropriated herein, one-third shall be distributed on a preliminary basis no later than 120 days after the beginning of the fiscal year, according to regulations promulgated by the Attorney General: Provided further, That the remaining two-thirds of the amount appropriated herein shall be distributed after final application for program participation to be submitted by the States by September 30, 1995: Provided further, That not to exceed one percentum of the amount appropriated herein shall be available for salaries and expenses for management and administration to be transferred to and merged with the appropriations for Justice Assistance.

### GENERAL ADMINISTRATION

#### SALARIES AND EXPENSES

In addition to amounts otherwise made available in this Act, for necessary expenses of the Executive Office for Immigration Review associated with the President's Immigration Initiative, \$17,400,000, of which not to exceed \$6,000,000 shall remain available until expended.

#### COMMUNITY POLICING

For grants, contracts, cooperative agreements, and other assistance for the Cops on the Beat Program, \$1,300,000,000 to remain available until expended, of which \$200,000,000 shall be available to the Bureau of Justice Assistance to make awards to jurisdictions pursuant to the police hiring grant program provided in the supplemental appropriation for Justice Assistance contained in the Supplemental Appropriations Act of 1993 (Public Law 103-50, 107 Stat. 246): Provided, That not to exceed \$11,000,000 of the amount appropriated herein shall be available for salaries and expenses for program administration, of which \$900,000 shall be transferred to and merged with the management and administration program of the Justice Assistance appropriation.

#### LEGAL ACTIVITIES

##### SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

In addition to amounts otherwise made available in this Act for "Salaries and Expenses, General Legal Activities", \$4,600,000 for necessary expenses of the Civil Division associated with the President's Immigration Initiative, of which not to exceed \$1,500,000 shall remain available until expended.

##### SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

In addition to amounts otherwise made available in this Act for "Salaries and Expenses, United States Attorneys", \$6,800,000 for necessary expenses associated with the President's Immigration Initiative, of which not to exceed \$2,000,000 shall remain available until expended.

#### IMMIGRATION AND NATURALIZATION SERVICE

##### SALARIES AND EXPENSES

In addition to amounts otherwise made available under this heading in this Act for "Salaries and Expenses", \$100,600,000 to implement the President's Immigration Initiative, of which not to exceed \$32,000,000 shall remain available until expended.

#### BORDER CONTROL SYSTEM MODERNIZATION

For the development, testing, evaluation and procurement of new automation and communications systems and other new technologies necessary for the administration and enforcement of the laws relating to immigration, naturalization and alien registration, not otherwise provided for, \$154,600,000, to remain available until expended.

#### GENERAL PROVISION

Upon enactment of a bill establishing the Violent Crime Reduction Trust Fund and reducing

discretionary spending limits, amounts made available under each heading under this title shall be rescinded, and an amount equal to the amount under each such heading shall be made available from such Trust Fund under the same terms and conditions contained in this title. Obligations and outlays incurred prior to the establishment of such Trust Fund shall, after enactment, be recorded against amounts made available from the Trust Fund under the appropriate heading as if such obligations and outlays had originally been made from such Trust Fund.

This title may be cited as the "Violent Crime Control Appropriations Act, 1995".

And the Senate agree to the same.

ALAN B. MOLLOHAN,  
NEAL SMITH,  
BOB CARR,  
JAMES P. MORAN,  
DAVID E. SKAGGS,  
DAVID E. PRICE,  
DAVID R. OBEY,  
HAROLD ROGERS,  
JIM KOLBE,  
CHARLES H. TAYLOR,  
JOSEPH M. MCDADE,

Managers on the Part of the House.

ERNEST F. HOLLINGS,  
DANIEL K. INOUE,  
DALE BUMPERS,  
FRANK R. LAUTENBERG,  
JIM SASSER,  
BOB KERREY,  
ROBERT C. BYRD,  
PETE V. DOMENICI,  
TED STEVENS,  
MARK O. HATFIELD,  
PHIL GRAMM,  
MITCH MCCONNELL,  
THAD COCHRAN,

Managers on the Part of the Senate.

#### JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4603) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies for the fiscal year ending September 30, 1995, and for other purposes, submit the following joint statement by the House and Senate in explanation of the effect of the action by the managers and rec-

(In thousands of dollars)

	Fiscal year—				
	1994 enacted	1995 request	1995 House	1995 Senate	1995 conference
National Institute of Justice	22,500	22,995	23,000	25,500	27,000
SECURES Pilot Program			(500)		(500)
Defense/law enforcement technology transfer				(3,000)	(4,500)
Bureau of Justice Statistics	20,943	21,373	21,379	21,379	21,379
Emergency Assistance					
Missing Children	6,621	6,621	6,721	6,721	6,721
Safe Return Program	(650)	(650)	(750)	(750)	(750)
Regional Information Sharing System	14,491		14,500	14,500	14,500
White Collar Crime Information Center	(850)		(850)	(850)	1,400
Management and Administration	25,550	28,586	28,500	28,500	27,100
Total	90,105	79,575	94,100	96,600	98,100

**Defense/Law Enforcement Technology Transfer.**—The conferees support the efforts of the Departments of Justice and Defense to identify defense and other advanced technologies for law enforcement purposes. To this end, the conference agreement provides \$5,000,000 to assist the National Institute of Justice (NIJ) in its efforts to adopt technologies for law enforcement purposes. Within this amount, \$3,000,000 is provided to establish a law enforcement technology information network in conjunction with the Regional Information Sharing System as discussed in the Senate report, \$1,500,000 is provided for a technology commercialization initiative, and \$500,000 to test the SECURES program in an operational environment as discussed in the House report.

**National White Collar Crime Center.**—The conference agreement provides a total of \$1,400,000 for the National White Collar Crime Center (NWCCC) for fiscal year 1995. This program, which was funded in previous years under the Regional Information Sharing System, provides assistance to State and local law enforcement and regulatory agencies in addressing multi-jurisdictional white collar crimes. Of the amount provided, \$850,000 is for the ongoing operations of the NWCCC, and \$550,000 is to allow for the establishment of an expanded research and training capability for the NWCCC in order to enhance the efforts of State and local criminal investigators and prosecutors against white collar crime.

**Management and Administration.**—The conference agreement provides for a total of \$35,910,000 to manage and administer the programs of the Office of Justice Programs (OJP). The conference agreement for the var-

ious new grant programs to be administered by the OJP provides authority for the transfer of funds for such expenses. The agreement assumes that the OJP will be allowed to fill an additional 72 positions to administer these new grant programs, above the 365 positions requested for ongoing program administration. Funding for management and administration is derived as follows:

Program	Amount	Positions
Direct appropriation	\$27,100,000	285
Transfer from juvenile justice programs	4,800,000	80
Transfer from community policing	900,000,000	20
Transfer from other new grant programs	3,110,000	52

**Amendment No. 2:** Deletes the Sense of the Senate provision concerning research on the crime of stalking. The conferees agree that the Department should make every effort to assist State and local agencies in their efforts to protect victims of stalking crimes.

#### STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE GRANTS

**Amendment No. 3:** Appropriates \$62,000,000 for discretionary law enforcement assistance grants instead of \$68,500,000 as proposed by the House and \$68,000,000 as proposed by the Senate.

**Amendment No. 4:** The conference agreement restores language designating \$2,000,000 for the D.C. Metropolitan Area Drug Enforcement Task Force and \$500,000 for the Denial of Federal Benefits program from the amounts provided for discretionary law enforcement assistance grants as proposed by the House and stricken by the Senate. The agreement also deletes a separate appropriation of \$500,000 for the Anti Car Theft Act included in the House bill and stricken by the

Senate, and instead designates \$500,000 from within discretionary grants for this purpose.

#### TITLE I—DEPARTMENT OF JUSTICE AND RELATED AGENCIES

##### DEPARTMENT OF JUSTICE

##### OFFICE OF JUSTICE PROGRAMS

The conference agreement provides a total of \$315,350,000 from the General Fund of the Treasury for the programs administered by the Office of Justice Programs. The conference agreement also appropriates \$2,066,000,000 in Title VIII for new grant programs authorized under the Crime Bill which are to be administered by the Office of Justice Programs. The disposition of each amendment under this heading and a detailed description of the agreement for each program follows—

##### JUSTICE ASSISTANCE

**Amendment No. 1:** Appropriates \$98,100,000 instead of \$96,600,000 as proposed by the Senate and \$94,100,000 as proposed by the House for the following programs:

**Byrne Discretionary Grants.**—The conference agreement provides for the full \$50,000,000 authorized for the Edward Byrne Memorial Discretionary Grant Program, to include:

(A) \$3,000,000 for the National Crime Prevention Council to continue and expand the National Citizens Crime Prevention Campaign (McGruff).

(B) \$1,750,000 for a grant to DARE America to continue and expand the Drug Abuse Resistance Education program.

(C) \$4,350,000 for a continuation grant to the Boys and Girls Clubs of America.

(D) \$1,000,000 for Criminal Information Systems for a continuation grant to the SEARCH Group, Inc.

(E) \$2,000,000 for a grant to continue the activities of the District of Columbia Metropolitan Area Drug Enforcement Task Force.

(F) \$200,000 for a grant to develop automated speech storage and retrieval software for incident reports as described in the Senate report.

(G) \$500,000 for Anti Car Theft Act grants. The conferees are aware of a number of other projects which will enhance State and

local law enforcement. Within the overall amounts provided in the conference agreement for discretionary grants administered by the Bureau of Justice Assistance (BJA), the conferees expect the BJA to examine the following proposals, provide grants if warranted, and report its intentions to the Committees on Appropriations of the House and Senate:

The projects described on pages 15 and 16 of House Report 103-552, and the following additional projects—

A continuation grant for the Organized Crime Narcotics (OCN) program.

A continuation grant for the Financial Investigations (FINVEST) program.

A continuation grant for the National Crime Prevention Council's drug abuse prevention programs in schools and communities.

A continuation grant for the National Association of Town Watch.

A grant to continue and expand the successful technical assistance provided by the Institute for Intergovernmental Research to the Interagency Criminal Alien Program.

A grant to the National Judicial College to provide drug legal education and training to State and local trial judges.

A grant to a statewide court system in a small jurisdiction to develop a cost-effective court delay reduction program through the increased use of magistrates and other judicial personnel.

A grant to an early intervention counseling program in Buffalo, NY, which works with the courts to assist young men and women between the ages of 16 to 21 charged with their first criminal offenses and who are at risk of stigmatization and recidivism.

A grant to study the effects of police officers bill of rights legislation, to be conducted in conjunction with an organization representing rank and file police officers.

#### BYRNE FORMULA GRANT PROGRAM

Amendment Nos. 5 and 6: The conference agreement for amendment numbers 5 and 6 deletes the entire paragraph appropriating funds for the Byrne Formula Grant program. The House bill provides \$804,280,000 for an expanded Byrne Program, while the Senate bill provides \$423,000,000 for the traditional Byrne program. The agreement provides \$450,000,000 for the traditional Byrne program in title VIII of the bill under amendment number 163.

Amendment No. 7: Deletes the Sense of the Senate provision concerning use of Byrne Discretionary Grants for a grant to the National Victim Center. The conferees agree that the Department of Justice has authority to examine such a grant proposal and encourage the Department to give every consideration to such a proposal.

#### JUVENILE JUSTICE PROGRAMS

Amendment No. 8: Appropriates \$144,000,000 for the Juvenile Justice and Delinquency Prevention (JJDP) Program and designates amounts for specific JJDP programs as proposed by the Senate amendment, instead of \$146,500,000 and the designations proposed by the House.

Amendment No. 9: Appropriates \$11,250,000 for programs authorized under the Victims of Child Abuse (VOCA) Act and designates amounts for specific VOCA programs as proposed by the House, instead of \$9,750,000 and the designations proposed by the Senate.

The following chart compares the conference agreement to the amounts contained in the House and Senate bills for Juvenile Justice Programs for fiscal year 1995:

Program/Activity	Fiscal year—				
	1994 enacted	1995 request	1995 House	1995 Senate	1995 conference
<b>JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT</b>					
Title II: Part A—Management & Admin .....	4,250	5,000	5,000	5,000	5,000
Part B—Formula Grants .....	58,310	68,600	68,600	68,600	70,000
Part C—Discretionary Grants .....	22,440	26,400	26,400	26,400	25,000
Subtotal .....	85,000	100,000	100,000	100,000	100,000
Part D—Youth Gangs .....	5,000	12,000	7,500	10,000	10,000
Part E—State Challenge .....		15,000	15,000	10,000	10,000
Part G—Juvenile Mentoring .....	4,000		4,000	4,000	4,000
Title V: Delinquency Prevention Grants .....	13,000	25,000	20,000	20,000	20,000
Total—JJDP programs .....	107,000	152,000	146,500	144,000	144,000
<b>VICTIMS OF CHILD ABUSE ACT</b>					
Subtitle A—Improve Investigation/Prosecution:					
Regional Advocacy Centers .....	500	500	500	500	500
Local Advocacy Centers .....	1,000	1,000	2,000	1,000	2,000
② Nat'l Center for Prosecution of Child Abuse .....	1,500	1,500	1,500	1,500	1,500
Nat'l Network for Child Advocacy Centers .....	(500)		500		500
Subtitle B—Court Appoint Special Advocates:					
Training/Technical Assistance .....	1,000	1,000	1,000	1,000	1,000
Expand local programs .....	3,500	3,500	5,000	5,000	5,000
Subtitle C—Child Abuse Training/Tech Ass't .....	500	500	750	750	750
Total—Victims of Child Abuse Act .....	8,000	8,000	11,250	9,750	11,250
Total, Juvenile Justice Programs .....	115,000	160,000	157,750	153,750	155,250

**JJDP Discretionary Grants.**—The conference agreement provides \$25,000,000 for discretionary grants authorized under Part C of the JJDP Act, to include the following programs as described in both the House and Senate reports:

\$600,000 for State Advisory Groups (SAGs);  
\$100,000 for the SAG Information Center;  
\$3,500,000 for the National, Coordinated Law Related Education (LRE) programs;

\$2,300,000 to the National Council of Juvenile and Family Court Judges;

\$1,000,000 to the Teens, Crime and the Community Program;

\$500,000 for grants as described on page 20 of Senate Report 103-309, as follows: (a) to support a model multi-disciplinary crisis intervention program for child victims and their families, and (b) to study violence committed by and against juveniles in rural communities in the South.

The conferees are aware of a number of other projects which will enhance State and local law enforcement. Within the overall amounts provided in the conference agreement for Juvenile Justice and Delinquency Prevention discretionary grants, the conferees expect the Department to examine each of the following proposals and to provide grants if warranted, and to submit a report to the Committees on Appropriations on its intentions for each proposal:

The projects described on pages 18 and 19 of House Report 103-552, the projects described on page 20 of Senate Report 103-309, and the following additional projects—

A grant to the Henry Ford Health System to develop a model program of adolescent violence intervention and acute crisis intervention through school-based programs and other community advocacy initiatives.

A grant to the North Omaha Bears project described on page 19 of Senate Report 103-309.

#### COMMUNITY POLICING

Amendment No. 10: Deletes the appropriation for Community Policing proposed by the House and stricken by the Senate. Funding for this program is contained in title VIII of the bill.

#### NEW GRANT PROGRAMS

Amendment Nos. 11-14: Deletes the appropriations for State Correctional Grants,

Drug Courts, Grants to Combat Violent Crimes Against Women, Community Schools Supervision Grants, and the Ounce of Prevention Council proposed by the Senate. There was no provision for these programs in the House bill. Funding for these programs is addressed in title VIII of the bill.

#### GENERAL ADMINISTRATION

##### SALARIES AND EXPENSES

Amendment No. 15: Appropriates \$120,185,000 for General Administration instead of \$119,904,000 as proposed by the House and \$121,267,000 as proposed by the Senate. The agreement provides for the following: (1) requested adjustments to base; (2) requested reductions for locality pay absorption, FTE reductions, and administrative savings; and (3) the requested increase of \$281,000 for the Pardon Attorney. In addition, \$17,400,000 is provided for this account in title VIII of the bill for the Executive Office for Immigration Review as part of the President's Immigration Initiative.

Amendment No. 16: The conference agreement deletes the entire paragraph appropriating funds for the Executive Office for Immigration Review associated with the

President's Immigration Initiative as proposed in both the House and Senate bills. Funding for this program is addressed in title VIII of the bill.

#### COMMUNITY POLICING

Amendment No. 17: Deletes language proposed by the Senate which would provide an appropriation for Community Policing. The House included no such provision. Funding for this program is addressed in title VIII of the bill.

#### WEED AND SEED PROGRAM FUND

Amendment No. 18: Appropriates \$13,456,000 for the Weed and Seed Program as proposed by the Senate instead of \$13,150,000 as proposed by the House. The conferees agree with the program direction provided in the Senate report concerning continuation of grant awards, expansion of the Weed and Seed strategy, and selection of additional neighborhoods.

#### LEGAL ACTIVITIES

##### SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

Amendment No. 19: Appropriates \$417,202,000 for General Legal Activities, instead of \$411,786,000 as proposed by the House and \$428,664,000 as proposed by the Senate. In addition, \$4,600,000 is provided for this account in title VIII of the bill for the Civil Division as part of the President's Immigration Initiative.

The conference agreement provides for the following: (1) requested adjustments to base; (2) requested reductions for locality pay absorption, FTE reductions (except for \$2,206,000 for the Criminal Division), and administrative savings; and (3) program enhancements of \$4,710,000, as follows—

Environment and Natural Resources Division .....	\$3,138,000
Office of Legal Counsel .....	72,000
Immigration-related employer/employee education .....	1,500,000

Amendment No. 20: The conference agreement deletes the entire paragraph appropriating funds for the Civil Division associated with the President's Immigration Initiative as proposed in both the House and Senate bills. Funding for this program is addressed in title VIII of the bill.

#### SALARIES AND EXPENSES, ANTITRUST DIVISION

Amendment No. 21: Appropriates \$80,655,000, instead of \$85,155,000 as proposed by the Senate and \$75,655,000 as proposed by the House. Provides for collection of \$39,640,000 in offsetting fee collections in fiscal year 1995, instead of \$33,460,000 as proposed by the Senate, and \$35,460,000 as proposed by the House. Provides for a final (net) appropriation of \$41,015,000 instead of \$51,695,000 as proposed by the Senate and \$40,195,000 as proposed by the House. Provides that any fee collections in excess of \$39,640,000, instead of \$35,460,000 as proposed by the House and \$33,460,000 as proposed by the Senate, be available in fiscal year 1996.

The conference agreement assumes total budget (obligational) authority of \$85,155,000 for the Antitrust Division for fiscal year 1995, of which \$4,500,000 is derived from prior year unobligated balances. The agreement provides for the following: (1) requested adjustments to base; (2) restoration of requested FTE reductions associated with locality pay absorption; (3) a \$227,000 reduction in GSA rent; and (4) a program increase of \$16,533,000 and an estimated 100 positions for enhanced enforcement activities.

##### SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

Amendment No. 22: Appropriates \$829,723,000 for the United States Attorneys

instead of \$820,177,000 as proposed by the House and \$832,723,000 as proposed by the Senate. In addition, \$6,800,000 is provided for this account in title VIII of the bill as part of the President's Immigration Initiative.

The conference agreement provides for the following: (1) requested adjustments to base; (2) restores \$9,546,000 of the requested \$12,546,000 in FTE reductions; and (3) requested reductions for administrative savings and locality pay absorption.

The conferees endorse the need to review the allocation of Assistant U.S. Attorneys as discussed in the Senate report.

**Teamsters Union Election.**—The conferees support the ongoing efforts of the Department of Justice to rid the International Brotherhood of Teamsters of mob dominance. While the conferees agree that it is in the best interest of the nation to have a mob-free union, it is most beneficial to the union itself. The conferees also agree that the Justice Department should not be bearing the full cost of the supervision of this upcoming election. As such, the conferees agree that \$1,500,000 of the amounts available to the U.S. Attorneys for fiscal year 1995 may be allocated for this purpose. However, the conferees further agree that for fiscal years 1996 and 1997 the cost for the supervision of this election shall be shared by the Justice Department, the Department of Labor and the International Brotherhood of Teamsters.

Amendment No. 23: Appropriates \$15,000,000 to implement the Attorney General's Violent Crime Task Force Initiative instead of \$25,000,000 as proposed by the Senate. The House included no such provision.

The conference agreement also deletes language proposed by the House and stricken by the Senate which would appropriate funds to the U.S. Attorneys to implement the President's Immigration Initiative. Funding for this program is addressed in title VIII.

#### UNITED STATES TRUSTEE SYSTEM FUND

Amendment No. 24: Appropriates \$103,190,000 instead of \$100,469,000 as proposed by the House and \$104,889,000 as proposed by the Senate. Provides that \$62,593,000 of this appropriation shall be derived from the U.S. Trustee System Fund, instead of \$61,593,000 as proposed by the House and \$64,292,000 as proposed by the Senate. Provides for offsetting fee collections of \$40,597,000 as proposed by the Senate, instead of \$38,876,000 as proposed by the House. Provides for a final (net) appropriation of \$62,593,000 instead of \$61,593,000 as proposed by the House and \$64,292,000 as proposed by the Senate. Makes any fee collections over \$40,597,000 available in fiscal year 1996.

The conference agreement provides total new budget (obligational) authority of \$103,190,000 for the U.S. Trustees for fiscal year 1995. The agreement provides for requested adjustments to base, request FTE reductions and locality pay absorption, \$1,821,000 to reduce debtor/trustee fraud and mismanagement, and \$900,000 to enhance supervision of chapter 11 cases.

##### SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

Amendment No. 25: Appropriates \$396,847,000 instead of \$390,185,000 as proposed by the House and \$403,055,000 as proposed by the Senate.

The conference agreement appropriates \$396,847,000 for the U.S. Marshals Service for fiscal year 1995, an increase of \$32,142,000 above the request. These additional resources are provided primarily to staff new courthouses to be opened, and new judgeship

to be filled, in fiscal year 1995. Specifically, the agreement provides for the following: (1) requested adjustments to base, FTE reductions and administrative savings, seized asset management changes and \$92,000 for the D.C. Superior Court; (2) \$12,000,000 related to new judgeships; (3) \$3,648,000 for prisoner and court security; (4) \$10,724,000 for staffing and \$1,942,000 for non-personnel costs of new courthouses; (5) \$2,000,000 for high threat trials; (6) \$750,000 for U.S. Marshal pay disparity; and (7) \$18,000,000 for the anticipated costs of law enforcement availability pay.

**Law Enforcement Availability Pay.**—As a result of receiving law enforcement availability pay, Deputy U.S. Marshals will be working an average of one additional hour of overtime per day. This amounts to a 10 percent increase in productivity, which has the same effect as adding on an additional 250 deputies. Because of this increased availability of on-board deputies, the conferees agree to provide \$8,000,000 less for staffing new courthouses and high threat trials than the Marshals Service requested.

#### SUPPORT OF UNITED STATES PRISONERS

Amendment No. 26: Appropriates \$298,216,000 as proposed by the Senate instead of \$299,465,000 as proposed by the House.

The conferees understand that the \$298,216,000 provided under the conference agreement, when added to the \$31,046,000 in available prior year funds, will provide sufficient resources to allow the U.S. Marshals to handle current estimated jail days for fiscal year 1995.

#### ORGANIZED CRIME DRUG ENFORCEMENT

Amendment No. 27: Appropriates \$374,943,000 instead of \$383,250,000 as proposed by the House and \$369,943,000 as proposed by the Senate.

The conference agreement provides the full budget request plus a \$5,000,000 program increase for enhanced national drug intelligence activities. The conference agreement appropriates funds for agencies involved in OCDE efforts as follows:

[In thousands of dollars]

Agency	Amount
Drug law enforcement:	
Drug Enforcement Administration .....	\$93,704
Federal Bureau of Investigation .....	95,571
Immigration & Naturalization Service .....	10,563
U.S. Marshals Service .....	1,172
U.S. Customs Service .....	28,133
Bureau of Alcohol, Tobacco & Firearms .....	10,300
Internal Revenue Service .....	37,147
U.S. Coast Guard .....	868
State & local overtime (reimb) .....	(5,300)
Subtotal .....	277,458
Drug Intelligence Activities:	
Drug Enforcement Administration .....	2,195
National Drug Intelligence Center .....	5,000
Federal Bureau of Investigation .....	11,403
Subtotal .....	18,598
Prosecutions:	
U.S. attorneys .....	75,287
Criminal division .....	755
Tax division .....	1,293
Subtotal .....	77,335
Administrative support .....	1,552
Total .....	374,943

#### FEDERAL BUREAU OF INVESTIGATION

##### SALARIES AND EXPENSES

Amendment No. 28: Appropriates \$2,206,871,000 for the FBI instead of

\$2,178,218,000 as proposed by the House and \$2,230,511,000 as proposed by the Senate.

The conference agreement provides an increase of \$75,804,000 above the request for the FBI in fiscal year 1995, as follows: (1) \$44,800,000 to restore special agent staffing back to the 10,475 peak on-board level reached in 1992, along with 301 associated support positions; (2) \$7,500,000 to restore 250 field support positions; (3) \$11,800,000 to hire 153 additional support personnel to replace special agents being transferred from headquarters to the field; (4) \$6,360,000 to restore headquarters support personnel needed to ensure Brady Act compliance; (5) \$4,500,000 for digital telephony requirements; and (6) \$844,000 to continue the FBI's present policy of reimbursing for the travel expenses to train State and local law enforcement officers.

**Background investigations.**—Included in the amounts provided for restoration of FBI special agents are positions eliminated in prior years associated with background investigations. The conferees understand that it may be more cost-effective to contract out for some or all of this responsibility, and will entertain a reprogramming of funds for this purpose should the Director determine that it is more cost effective to do so.

#### DRUG ENFORCEMENT ADMINISTRATION SALARIES AND EXPENSES

Amendment No. 29: Appropriates \$757,204,000 for the salaries and expenses of the DEA instead of \$742,497,000 as proposed by the House, and \$760,801,000 as proposed by the Senate.

The conference agreement provides an increase of \$36,862,000 above the request, in order to restore DEA agent positions back to the 3,702 peak on-board level reached in 1992, as well as associated support positions. The conferees agree that these new agent positions are intended for domestic, and not overseas, enforcement activities.

#### IMMIGRATION AND NATURALIZATION SERVICE SALARIES AND EXPENSES

Amendment No. 30: Provides for the purchase of 813 motor vehicles as proposed by the Senate instead of 346 as proposed by the House.

Amendment No. 31: Appropriates \$1,102,671,000 instead of \$1,098,602,000 as proposed by the House and \$1,164,856,000 as proposed by the Senate.

Amendment No. 32: Adds language, as proposed by the Senate, limiting overtime payments to INS employees to \$25,000 for the calendar year beginning January 1, 1995. The House bill limited overtime payments to \$25,000, but did not specify a starting date.

Amendment No. 33: The conference agreement for amendment number 33 deletes the entire paragraph appropriating funds for the INS associated with the President's Immigration Initiative in the Crime bill as proposed in both the House and Senate bills. Funding for this program is addressed in title VIII of the bill.

#### BORDER PATROL

The conference agreement for the Immigration and Naturalization Service provides for a total of almost 1,000 additional Border Patrol agents on the line in fiscal year 1995. The conferees agree that the INS should give first priority to the deployment of additional agents to "hot spot" areas along the border which are experiencing significant increases in apprehensions.

#### EXAMINATIONS FEE ACCOUNT

The conferees understand the INS will have a lower level of receipts in the Exami-

nations Fee Account than originally anticipated in the 1995 President's Budget. Because of uncertainty of the receipt level in 1995, the conferees recommend approval of funding in the amount of \$291,097,000 for the Examinations Fee Account. This spending level is based upon the 1994 reprogrammed level of \$277,971,000, and an increase of \$13,126,000 to provide for additional land border inspectors and related support associated with implementation of new fees for application processing services provided at land border ports. This level is based on estimated receipts to the Examinations Fee Account in FY 1995 of \$292,060,000, of which, \$14,683,000 is associated with the proposed fees for services provided at land border ports.

Assumed in the funding level is the conferees' recommendation to permanently transfer \$6,569,000 in funding association with overseas enforcement efforts from the Examinations Fee Account to the Salaries and Expenses appropriation. This reverses a shift made to the Examinations Fee Account in FY 1991 and recognizes the growing importance of INS' overseas enforcement operations in deterring illegal entry into the United States. The recommended transfer will more adequately align expenditures from this account with adjudication and naturalization processes and their related support. The conferees expect the INS to utilize the \$6,569,000 in fee receipts freed up by this transfer to reduce the backlog in adjudication and naturalization cases.

The conferees understand that the recommended funding level may not provide INS with the full cost of inflationary increases. Therefore, should INS realize higher Examinations Fee receipts in FY 1995 than the current estimate, the conferees expect INS to utilize those funds for base inflationary costs, as necessary, and, to the extent possible, provide additional resources for the processing of naturalization applications. The conferees expect to be provided appropriate notification of changes in spending plans as delineated by the reprogramming requirements in the bill.

#### CONSTRUCTION

Amendment No. 34: Appropriates \$50,000,000 for the INS Construction account, instead of \$100,000,000 as proposed by the Senate. The House had no such provision. The conferees recommend \$50,000,000 in a new construction account for the border infrastructure requirements of the Immigration and Naturalization Service. The conferees understand that the Border Patrol strategy being developed by the INS recognizes different methods of gaining "prevention through deterrence" depending on location, terrain, and a mix of technology and agents. The conferees further understand that in certain areas such as Arizona, New Mexico, and South Texas, traffic checkpoints are utilized as a front line enforcement strategy as a result of difficult terrain. The conferees expect that the resources recommended for improving border infrastructure for the Border Patrol be prioritized in such a way that these and other front line enforcement efforts are enhanced. Therefore, the first priority for obligations from this account should be for Border Patrol stations, for station-related infrastructure, and for the front line enforcement activities described above. The agreement does not include funds for additional service processing centers as proposed by the Senate.

**Traffic Checkpoints.**—The conferees also understand that the INS is in the process of reviewing the need to continue traffic checkpoint operations in Southern California (San

Clemente/Temecula) due to the enhanced front line activities in San Diego. The conferees agree that infrastructure improvements to these checkpoints should be considered only if results of these reviews indicate a level of effectiveness that enhances front line activities in these areas, and the Committees on Appropriations have been notified pursuant to normal reprogramming procedures. Should the INS determine that these checkpoints are no longer cost-effective, the conferees expect that associated Border Patrol agents be transferred immediately to the border.

#### IMMIGRATION EMERGENCY FUND

Amendment No. 35: Appropriates \$75,000,000 for the Immigration Emergency Fund, instead of \$8,500,000 as proposed by the Senate. The House had no such provision. The conferees agree to include this level of funding as a contingency against potential expenses arising from movement of immigrants toward our shores from nations in varied states of political and economic disintegration.

#### PRESIDENT'S IMMIGRATION INITIATIVE

Including amounts to be provided from the General Fund, the Violent Crime Trust Fund, as well as fee accounts, the conference agreement for this bill provides a total of \$2,106,564,000 for the INS for FY 1995, a 29 percent increase above fiscal year 1994 enacted levels. These amounts allow for program enhancements of \$475,299,000 to implement the President's Immigration Initiative, as follows:

General Fund/Trust Fund Appropriations:	
700 new/250 redirected Border Patrol Agents ..	\$54,500,000
110 additional Land Border Inspectors .....	5,000,000
Enhanced automation/communications/equipment .....	154,600,000
Expedited detention/deportation resources .....	17,500,000
Enhanced asylum processing .....	24,000,000
Overseas enforcement activities .....	6,569,000
Enhanced employer sanctions .....	6,328,000
Naturalization pilot project .....	500,000
Border infrastructure enhancements .....	50,000,000
Immigration emergencies .....	75,000,000
Offsetting fee collections:	
168 new airport inspectors/support/detention .....	18,944,000
200 new land border inspectors .....	13,126,000

#### FEDERAL PRISON SYSTEM SALARIES AND EXPENSES

Amendment No. 36: Appropriates \$2,356,404,000 as proposed by the House instead of \$2,400,104,000 as proposed by the Senate. The conference agreement, when added to prior year carryover of \$30,000,000 provides for requested adjustments to base, requested reductions for FTE, locality pay, administrative savings and closure of FPC Tyndall, and the following program enhancements:

Activation of new prison facilities .....	\$107,858,000
Prisoner population increases .....	18,366,000
Contract confinement .....	15,591,000

#### NATIONAL INSTITUTE OF CORRECTIONS

Amendment No. 37: Appropriates \$10,344,000 for the National Institute of Corrections as

proposed by the House instead of \$10,144,000 as proposed by the Senate. The agreement provides for the D.C. Corrections Department Study described in the House report.

#### BUILDINGS AND FACILITIES

Amendment No. 38: Appropriates \$280,494,000, for the buildings and facilities of the Federal Prison System instead of \$238,094,000 as proposed by the House and \$243,324,000 as proposed by the Senate. The conference agreement provides for requested adjustments to base, FTE reductions and locality pay absorption, and provides for the following program enhancements:

Pollock, LA FCC security upgrade .....	\$80,400,000
Edgefield, SC FCC security upgrade .....	15,000,000
Western Region FCC site/planning .....	10,300,000
Beaumont, TX FCC site/planning .....	7,500,000
Forrest City, AR FCI expansion .....	6,000,000
Mid-Atlantic FCI expansion .....	8,370,000
NE Region FCI expansion ..	7,250,000
Mid-Atlantic FCC EIS/Design .....	550,000
Cooperative Agreement Program .....	20,000,000
Marshals Service Holding Facilities .....	9,903,000
Oklahoma FDC Lease .....	8,655,000
Modernization and Repair .....	3,297,000

#### GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

##### COMMISSARY FUND

Amendment No. 39: Deletes the words "and thereafter" as proposed in the Senate amendment. The House bill included these words in order to make permanent this provision (Sec. 107) to allow the Prison System to collect interest on unobligated balances in the Commissary Fund. The conference agreement makes this authority available only for fiscal year 1995 pending permanent legislation.

##### LITIGATION REIMBURSEMENT

Amendment No. 40: Adds language (Sec. 109) proposed by the Senate and not in the House bill authorizing the Department of Justice to be reimbursed by other agencies for expenses associated with litigation of extraordinary size and complexity on behalf of that agency.

##### ASSETS FORFEITURE FUND

Amendment No. 41: Adds language (Sec. 110), proposed by the Senate and not in the House bill, which provides the Attorney General with authority to allocate surplus amounts in the Assets Forfeiture Fund in fiscal year 1995. The conference agreement makes technical amendments to the Senate language to conform to existing law.

##### IMMIGRATION PILOT PROJECT

Amendment No. 42: Adds language (Sec. 111) proposed by the Senate and not in the House bill to allow for the creation of a land border inspections pilot project on the California border. Current law allows for such projects on the Northern border only. The conference agreement will enable the INS and Customs Service to test the feasibility of a commuter-type lane at a border crossing in the San Diego area.

##### SENSE OF THE SENATE

Amendment Nos. 43 and 44: Deletes Sense of the Senate provisions not in the House bill concerning immigration policies and enforcement of child support laws.

#### VICTIMS OF CRIME

Amendment No. 45: Adds language (Sec. 112) proposed by the Senate and not in the House bill, which extends from fiscal year 1994 to 1995 the formula for distribution of base amounts for crime victim assistance grants.

The conference agreement also adds new language (Sec. 113), not in either the House or Senate bills, which prohibits the transfer of Justice Department funds unless such transfers are authorized in this Act, in part II of 28 U.S.C., or in 42 U.S.C. 10601. This provision also limits authority to allocate Justice Department funds to the Department and the Office of Management and Budget.

##### MEETING WITH PRESIDENT OF MEXICO

Amendment No. 46: Adds a Sense of the Congress (Sec. 114) proposed by the Senate, and not in the House bill, that the President of the United States and the President-elect of Mexico should meet to discuss immigration issues.

The conference agreement also adds language, not in either the House or Senate bills, which would make employees of the FBI's Criminal Justice Information Services Division who choose not to relocate out of the Washington, D.C., area eligible for competitive service appointments in other agencies. This authority will assist the FBI in finding jobs for these employees thus avoiding costly and demoralizing reductions-in-force (RIFs). The language is supported by the Office of Personnel Management, and the Congressional Budget Office has scored the legislation at no cost to the Federal government. The conferees believe this authority provides the FBI Director with a prudent management tool, and will in fact save money since the Bureau will be able to avoid costly RIF proceedings for some employees.

Amendment No. 47: Deletes language proposed by the Senate to transfer \$350,000,000 from Contributions to International Organizations and Contributions for International Peacekeeping Activities to reimburse states for the cost of incarcerating illegal aliens. No such provision was included in the House bill.

Amendment Nos. 48 and 49: Deletes a Sense of the Senate regarding the Case of United States v. Knox, and a Sense of the Senate regarding the escort of aliens being deported.

#### RELATED AGENCIES

##### COMMISSION ON CIVIL RIGHTS

##### SALARIES AND EXPENSES

Amendment No. 50: Appropriates \$9,000,000 instead of \$9,500,000 as proposed by the House and \$8,413,000 as proposed by the Senate.

Amendment No. 51: Deletes a provision proposed by the House and stricken by the Senate which would have limited the compensation of the Special Assistant to each of the Civil Rights Commissioners to 150 billable days per year.

##### EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

##### SALARIES AND EXPENSES

Amendment No. 52: Appropriates \$233,000,000 instead of \$238,000,000 as proposed by the House and \$240,000,000 as proposed by the Senate.

The conferees are concerned about the lack of clarity with respect to the Commission's budget justification materials and expect the Commission to review this matter and consult with the Appropriations Committees and the Office of Management and Budget to insure that budget justifications developed to support the fiscal year 1996 budget request of the Commission strictly comply with OMB Circulars on this matter.

#### FEDERAL COMMUNICATIONS COMMISSION

##### SALARIES AND EXPENSES

Amendment No. 53: Appropriates \$185,232,000, instead of \$166,832,000 as proposed by the House and \$198,232,000 as proposed by the Senate. Provides for \$116,400,000 in offsetting fee collections as proposed by both the House and Senate. Provides for a final (net) appropriation of \$68,832,000, instead of \$50,432,000 as proposed by the House and \$81,832,000 as proposed by the Senate. Restores language proposed by the House and stricken by the Senate which makes fee collections in excess of \$116,400,000 available for obligation in fiscal year 1996.

The conference agreement provides total budget authority of \$185,232,000 for the FCC for fiscal year 1995. These amounts provide requested adjustments to base to fully fund the increased staff hired by the Commission in FY 1994 to implement the Cable Act. The agreement also provides for a program enhancement of \$15,800,000 to fund an estimated 225 additional personnel already approved by the Office of Management and Budget to handle the Commission's expanding workload, and an increase of \$2,600,000 for infrastructure modernization.

**Big LEO.**—The conferees are concerned over ramifications of further delays in the low earth orbit technology (Big LEO) proceeding currently before the Commission (CC Docket No. 92-166). The conferees endorse the schedule for completion of the rulemaking discussed in the Senate report, and urge the Commission, consistent with its policies and regulations as well as the Communications Act, to take appropriate action on all pending applications and waiver requests at the earliest possible date.

Amendment No. 54: Adds language proposed by the Senate and not in the House bill which restores FCC funding restrictions contained in last year's Appropriations Act. The conference agreement prohibits the use of funds by the FCC to: (1) Change or reexamine changes of current policies governing comparative licensing, distress sales and tax certificate policies intended to expand opportunities for minorities; (2) diminish the number of VHF channels assigned for non-commercial education television stations; and (3) reexamine rules governing cross-ownership of newspapers and broadcast stations.

The conferees agree that the prohibition against FCC to change or reexamine changes of current policies governing minorities is intended to prevent the Commission from backtracking on its policies that provide incentives for minority participation in broadcasting. The conferees further agree that the prohibition does not prohibit the Commission from taking steps to create greater opportunities for minority ownership.

#### FEDERAL TRADE COMMISSION

##### SALARIES AND EXPENSES

Amendment No. 55: Appropriates \$94,428,000 instead of \$95,428,000 as proposed by the House and \$98,928,000 as proposed by the Senate. Provides for collection of \$39,640,000 in offsetting fee collections, instead of \$33,460,000 as proposed by the Senate, and \$35,460,000 as proposed by the House. Provides a final (net) appropriation of \$54,788,000 instead of \$59,968,000 as proposed by the House and \$65,468,000 as proposed by the Senate. Restores House language stricken by the Senate allowing fee collections in excess of \$39,640,000 to be available in fiscal year 1996. Provides for an increase in Hart-Scott-Rodino premerger filing fees from \$25,000 to \$45,000 as proposed by the House, instead of \$25,000 to \$40,000 as proposed by the Senate.

The conference agreement provides total budget (obligational) authority of \$98,928,000 for fiscal year 1995 for the Federal Trade Commission when prior year unobligated balances of \$4,500,000 are included. The agreement provides the FTC with their full adjustments to base, including GSA rent reductions, and restores proposed FTE and administrative reductions. The agreement provides a program enhancement of \$2,105,000 to allow for an additional 25 positions for the Commissions' enforcement activities. The conferees agree that since these additional positions are being funded from increased fee collections and not from the General Fund of the Treasury, associated FTE should be exempt from current FTE ceilings.

Amendment No. 56: Adds language proposed by the Senate and not in the House bill which restores FTC funding restrictions contained in last year's Appropriations Act. The conference agreement restricts the Commission as follows: (1) prohibits the use of FTC funds to engage in rulemakings concerning unfairness in advertising; (2) establishes limits on public participation; (3) prohibits the use of FTC funds to petition the Patent Commissioner for cancellation of a registered trademark; and (4) prohibits FTC from studying or investigating agricultural marketing orders or agricultural cooperatives. The agreement includes an exception to nullify the restrictions upon enactment of an FTC Authorization Act for fiscal year 1995. While the conference report for the Federal Trade Commission Act Amendments of 1994 has passed the House, it has not yet passed the Senate, and the conferees agree that these restrictions are too critical to remove from this bill pending Senate action and enactment of the authorization bill.

#### SECURITIES AND EXCHANGE COMMISSION

##### SALARIES AND EXPENSES

Amendment No. 57: Appropriates \$74,856,000 instead of \$900,000 as proposed by the House and \$57,856,000 as proposed by the Senate. The agreement also deletes language proposed by the Senate, and not in the House bill, which would have raised section 6(b) registration fees from 1/10th of one percent to 1/8th of one percent.

The conference agreement, along with \$50,000,000 in prior year carryover, provides the SEC with total budget (obligational) authority of \$125,856,000, which the conferees understand is \$155,144,000 below the amount

needed to maintain current services in fiscal year 1995. The agreement is also \$178,726,000 below the total budgetary resource level provided the Commission in the Senate bill.

The conferees were obliged to remove the language added by the Senate because of a jurisdictional dispute over allowing the SEC to retain offsetting collections derived from section 6(b) registration fees. The Ways and Means Committee of the House of Representatives has indicated its opposition to this fee language, even though it is similar to language included in Appropriations Acts for the past three years, and is the exact language contained in last year's Act. Under the Constitution, revenue measures must originate in the House, and the House may return to the Senate any bill containing a revenue provision, such as this fee language, that originates in the Senate. The conferees reluctantly agreed to remove the Senate fee language in order to avoid the return of the bill to the Senate, which could have delayed the emergency supplemental requested for the flooding in Florida, Alabama, and Georgia.

By removing the Senate fee language, the SEC will be unable to collect an estimated \$238,000,000 in fees in fiscal year 1995. As such, this agreement only provides the SEC with sufficient budgetary resources to operate at current service levels for approximately 5 months. The conferees are confident that an agreement can be worked out by that time to resolve the fee issue so that the SEC can receive the funding it needs to fully protect the investing public. Failure to arrive at a compromise on this fee issue could endanger the securities markets and result in increased fraud and malpractice in the securities and financial markets. The nation needs a strong SEC and the conferees encourage a quick resolution to this problem.

#### TITLE II—DEPARTMENT OF COMMERCE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

##### SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

Amendment No. 58: Appropriates \$265,000,000 for the core research programs of the National Institute of Standards and Technology (NIST) instead of \$279,420,000 as proposed by the House and \$260,000,000 as proposed by the Senate.

The amount provided in the conference agreement fully funds the adjusted base pro-

gram for this account, and provides an additional \$39,000,000 for program enhancements. Within this increase, the conferees agree that \$5,000,000 is for the international trade and standards program and \$7,000,000 is for environmental technologies. The conferees expect NIST and the Department of Commerce to submit a reprogramming notification to the House and Senate Appropriations Committees, under the standard reprogramming procedures contained in section 605 of this Act, indicating the proposed distribution of the remaining program increase by research category.

#### INDUSTRIAL TECHNOLOGY SERVICES

Amendment No. 59: Appropriates \$525,000,000 for NIST external programs, instead of \$495,960,000 as proposed by the House and \$554,000,000 as proposed by the Senate, and includes language proposed by the Senate which will enable NIST to continue support for manufacturing technology centers that have existed for six years. The House bill contained no similar provision. The conference agreement deletes language proposed by the House and stricken by the Senate which would have delayed the availability of certain amounts provided under this heading.

The conferees support the efforts of NIST to promote the awareness of the Advanced Technology Program (ATP) throughout industry, particularly among small businesses and in geographically dispersed areas. The conferees also support the language included under the manufacturing extension partnership (MEP) program in both the House and Senate reports regarding the needs of rural areas and other areas serviced by geographically dispersed manufacturers.

The conferees note the establishment of the Environmental Technology Initiative under the Environmental Protection Agency (EPA) to promote the development of environmental technologies. The conferees expect NIST to coordinate with EPA and other agencies to maximize the impact of all Federal funding for development and commercialization of environmental technologies and to ensure that there is no program duplication in this area.

The following table reflects the distribution of these funds by program category:

	1994 appropriation	1995			
		Request	House	Senate	Conference
Extramural research:					
Advanced Technology Program (ATP)	199,489	451,000	431,000	441,000	431,000
Manufacturing Extension Program (MEP):					
Manufacturing extension centers	27,235	38,065	38,065	85,200	69,000
LINKS		17,000	17,000	17,000	15,600
State extension (STEP)	3,000	6,000	6,000	8,000	6,000
Subtotal, MEP	30,235	61,065	61,065	110,200	90,600
Outreach/Baldrige Award	2,800	6,895	3,895	2,800	3,400
Total	232,524	518,960	495,960	554,000	525,000

#### NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

##### OPERATIONS, RESEARCH, AND FACILITIES

##### (INCLUDING TRANSFER OF FUNDS)

Amendment No. 60: Appropriates \$1,835,000,000 for the operations of the National Oceanic and Atmospheric Administration (NOAA) instead of \$1,792,978,000 as pro-

posed by the House and \$1,850,000,000 as proposed by the Senate.

Amendment No. 61: Restores language proposed by the House and stricken by the Senate which allows for the collection of fees totalling \$6,000,000 related to the costs of administering NOAA's marine sanctuary program and the aeronautical charting program, and reducing the final general fund appropriation to \$1,829,000,000. The conference

agreement does not include language proposed by the House and stricken by the Senate on fees related to living marine resources (fisheries) programs. The House bill allowed for the collection of fees totalling \$41,000,000 and resulted in a final appropriation of \$1,751,978,000.

The following table reflects the conference recommendation for the programs and activities funded under this account:

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994	FY 1995			
	Appropriation	Request	House	Senate	Conference
(Dollars in Thousands)					
<b>NATIONAL OCEAN SERVICE:</b>					
<b>Mapping, Charting, and Geodesy:</b>					
Mapping and Charting.....	\$28,500	\$29,005	\$30,000	\$33,000	\$31,000
Automated Nautical Charting System II.....	1,300	1,300	1,250	1,250	1,250
Subtotal.....	29,800	30,305	31,250	34,250	32,250
<b>Geodesy</b>					
SC Cooperative geodetic survey.....	17,900	19,332	18,762	18,762	18,762
Land Information System.....	554	0	0	1,000	1,000
Subtotal.....	1,200	0	1,000	0	1,000
Subtotal.....	19,654	19,332	19,762	19,762	20,762
Total, Mapping, Charting, and Geodesy.....	49,454	49,637	51,012	54,012	53,012
<b>Observation and Assessment:</b>					
Observation and Prediction.....	11,800	12,787	12,423	13,000	12,423
Circulatory survey program.....	700	700	700	700	700
California marine observation buoys.....	140	0	0	0	0
Chesapeake Bay observation buoys.....	400	0	400	0	400
Ocean services.....	4,442	4,442	4,442	4,442	4,442
COAP.....	400	400	375	0	0
Subtotal.....	17,882	18,329	18,340	18,142	17,965
<b>Estuarine and Coastal Assessment.....</b>					
Coastal ecosystem health/ocean assessment.....	2,420	2,753	2,753	2,753	2,753
Damage assessment.....	17,369	21,925	21,925	24,528	24,528
Transfer from Damage Assessment Fund.....	1,200	1,200	1,200	1,200	1,200
S. Carolina Wetland Management Demo.....	29,796	8,500	8,500	8,500	8,500
Oil Pollution Act of 1990.....	500	0	0	0	0
Subtotal.....	1,395	1,395	1,300	1,395	1,300
Subtotal.....	52,680	35,773	35,678	38,376	38,281

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994	FY 1995			
	Appropriation	Request	House	Senate	Conference
(Dollars in Thousands)					
Coastal Ocean Science					
Coastal Ocean program.....	10,200	11,433	10,000	11,433	11,000
Oil Spill Research.....	0	0	1,000	0	800
Nat'l Institute Environmental Renewal.....	800	0	500	0	500
Maui algal bloom crisis.....	0	0	0	0	0
Subtotal.....	11,000	11,433	11,500	11,433	12,300
Total, Observation and Assessment.....	81,562	65,535	65,518	67,951	68,546
Ocean and Coastal Management:					
Coastal Management					
CZM grants.....	41,500	37,966	42,000	49,000	45,500
Acquisition of estuarine sanctuaries.....	3,214	3,214	3,500	3,214	3,350
CZM program administration.....	0	3,671	0	0	0
Charleston, SC, spec. area mgt. plan.....	1,000	0	0	1,000	1,000
Nonpoint pollution control.....	4,000	4,000	5,000	5,000	5,000
Subtotal.....	49,714	48,851	50,500	58,214	54,850
Ocean Management .....	1,500	0	0	0	0
Marine sanctuary program.....	9,000	12,000	12,500	13,000	12,000
Hawaii humpback mar. sanct. institute.....	150	0	0	0	0
Subtotal.....	10,650	12,000	12,500	13,000	12,000
Total, Ocean and Coastal Management.....	60,364	60,851	63,000	71,214	66,850
TOTAL, NOS.....	191,380	176,023	179,530	193,177	188,408

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994	FY 1995			
	Appropriation	Request	House	Senate	Conference
(Dollars in Thousands)					
<b>NATIONAL MARINE FISHERIES SERVICE:</b>					
<b>Information Collection &amp; Analyses:</b>					
Resource Information.....	52,872	73,000	73,000	64,473	66,000
Conservation engineering by catch.....	1,416	716	1,216	716	800
Antarctic research.....	1,200	1,200	1,200	1,200	1,200
Fishery resource data error reduction.....	960	960	960	960	960
Oyster disease research.....	1,500	1,500	0	1,500	0
Marine mammal research.....	2,314	2,314	2,314	2,314	2,314
Protected species research.....	3,630	3,630	3,630	4,000	3,630
Chesapeake Bay Studies.....	1,890	1,890	1,890	1,890	1,890
Right whale research.....	214	214	214	214	214
Gear entanglement studies.....	651	651	651	651	651
MARFIN.....	3,780	3,780	3,780	3,780	3,780
SEAMAP.....	1,340	1,340	1,340	1,340	1,340
Aquaculture.....	2,500	2,500	2,500	2,500	2,500
Stuttgart.....	576	0	0	0	0
Alaskan groundfish surveys.....	661	661	661	661	661
Bering Sea pollock research.....	945	945	945	945	945
West Coast groundfish.....	780	780	780	780	780
New England stock depletion.....	1,116	1,116	1,116	1,116	1,116
Hawaii stock management plan.....	500	0	0	500	500
Yukon River chinook salmon.....	700	700	700	700	700
Winter Run chinook salmon.....	250	250	250	250	250
Atlantic salmon research.....	710	710	710	710	710
Gulf of Maine groundfish survey.....	567	567	567	567	567
Dolphin safe technologies.....	500	500	500	500	500
Habitat research/evaluation.....	470	470	470	470	470
Pacific salmon treaty program.....	5,587	5,587	5,587	5,587	5,587
Fish cooperative inst. enhancement.....	384	384	0	450	410

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994	FY 1995			
	Appropriation	Request	House	Senate	Conference
(Dollars in Thousands)					
Hawaiian monk seals.....	520	520	500	520	520
Stellar sea lion recovery plan.....	1,440	1,440	1,440	1,440	1,440
Hawaiian sea turtles.....	240	240	240	240	240
Atlantic bluefin tuna research.....	300	0	300	0	300
Center for Shark Research.....	140	0	0	0	0
Halibut/Sablefish IFQ's.....	1,200	1,200	1,200	1,200	1,200
United States & Canada lobster study.....	300	0	0	0	0
Subtotal.....	92,153	109,765	108,661	102,174	102,175
Fishery Industry Information					
Fish statistics.....	10,500	14,000	14,000	12,000	12,000
Alaska groundfish monitoring.....	4,500	4,500	4,500	5,400	5,200
PACFIN/catch effort data.....	2,046	2,046	2,300	2,046	2,300
Rec. fishery harvest monitoring.....	2,395	2,395	2,400	3,000	2,900
Subtotal.....	19,441	22,941	23,200	22,446	22,400
Information Analyses & Dissemination.....					
Computer hardware and software.....	1,500	5,500	5,500	5,000	5,000
Subtotal.....	21,612	27,415	28,100	25,890	26,000
Total, Info., Collection, & Analyses.....	133,206	160,121	159,961	150,510	150,575
Conservation and Management Operations:					
Fisheries Management Programs.....	13,500	19,954	19,954	15,000	16,000
Columbia River hatcheries.....	10,300	10,300	9,500	10,400	10,300
Colombia River smolt.....	100	0	0	0	0
Columbia River end. species studies.....	288	288	288	288	288
Regional councils.....	8,556	8,556	8,556	9,000	8,556
International fisheries commissions.....	800	400	400	1,250	1,250
Management of George's Bank.....	480	480	480	480	480

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994	FY 1995			
	Appropriation	Request	House	Senate	Conference
(Dollars in Thousands)					
Rebuild Nations Fisheries:					
– Beluga whale committee.....	192	0	192	200	200
– Pacific tuna management.....	1,800	1,800	0	2,200	2,000
Subtotal.....	36,016	41,778	39,370	38,818	39,074
Protected Species Management .....	4,000	6,196	5,600	5,000	5,000
ESA listing & status review.....	930	930	930	930	930
Tissue bank & stranding network.....	295	295	295	295	295
Driftnet act implementatn/high seas salmon assessmt.....	3,278	3,278	2,500	3,000	3,000
Marine Mammal Protection Act.....	7,750	7,750	9,000	7,750	8,000
Endangered Species Act recovery plan.....	218	7,322	6,000	8,000	7,000
Fishery observer training.....	150	0	120	417	300
East Coast observers.....	700	700	700	700	700
Subtotal.....	17,321	26,471	25,145	26,092	25,225
Habitat Conservation .....	6,200	8,679	7,500	7,000	8,000
Enforcement & Surveillance .....	12,000	16,886	15,500	16,000	15,500
Total, Conservation and Mgmt. Opns.....	71,537	93,814	87,515	87,910	87,799
State and Industry Assistance Programs:					
Grants to States					
Interjurisdictional fisheries grants.....	3,156	3,156	3,156	3,156	3,156
Anadromous grants.....	2,108	2,108	2,108	2,108	2,108
Anadromous fishery project.....	250	250	250	250	250
Interstate fish commissions.....	295	295	1,000	4,600	4,000
North Atlantic fishery reinvestment.....	1,500	3,500	2,800	4,000	2,800
Subtotal.....	7,309	9,309	9,314	14,114	12,314

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994	FY 1995			
	Appropriation	Request	House	Senate	Conference
(Dollars in Thousands)					
<b>Fisheries Development Program:</b>					
Fisheries trade promotion activities.....	1,700	1,700	1,500	1,500	1,500
Product quality and safety.....	9,000	9,021	9,000	11,010	9,250
Hawaiian fisheries development.....	750	0	0	750	750
Seafood Inspection.....	5,500	5,500	4,300	5,500	5,000
Marine biotechnology.....	1,750	1,750	1,750	2,200	2,000
Subtotal.....	18,700	17,971	16,550	20,960	18,500
Total, State & Industry Assist. Progs.....	26,009	27,280	25,864	35,074	30,814
<b>TOTAL, NMFS.....</b>	<b>230,752</b>	<b>281,215</b>	<b>273,340</b>	<b>273,494</b>	<b>269,188</b>
<b>OCEANIC AND ATMOSPHERIC RESEARCH:</b>					
<b>Climate and Air Quality Research:</b>					
Interannual & Seasonal Climate Research.....	7,945	8,015	8,015	8,000	8,000
Long-Term Climate & Air Quality Research.....	26,376	31,544	28,392	26,376	27,300
High Performance Computing.....	1,000	15,452	6,500	1,000	6,500
Subtotal.....	27,376	46,996	34,892	27,376	33,800
Climate and Global Change/GLOBE.....	63,000	84,012	66,000	74,000	78,000
Total, Climate and Air Quality.....	98,321	139,023	108,907	109,376	119,800
<b>Atmospheric Programs</b>					
Weather Research .....	30,356	33,874	33,370	30,870	33,670
Wind profiler.....	4,350	0	4,350	4,000	4,350
Federal/state weather mod. grants.....	3,000	0	3,300	0	3,100
Southeastern storm research.....	372	0	400	0	400
Subtotal.....	38,078	33,874	41,420	34,870	41,520

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994		FY 1995		
	Appropriation	Request	House	Senate	Conference
(Dollars in Thousands)					
Solar—Terrestrial services and research.....	5,000	5,627	5,500	5,000	5,500
Total, Atmospheric Program.....	43,078	39,501	46,920	39,870	47,020
Ocean and Great Lakes Programs:					
Marine Prediction Research .....	9,200	9,572	9,572	9,572	9,572
GLERL.....	4,558	4,558	4,558	4,558	4,558
Great lakes nearshore research.....	200	200	200	200	200
VENTS.....	2,496	0	0	2,496	2,496
SE US/Caribbean FOCI program.....	500	0	500	0	450
GLERL/Zebra mussel.....	911	0	911	0	911
Lake Champlain study.....	290	0	0	200	150
Pacific Island technical assistance.....	190	0	190	190	190
Subtotal.....	18,345	14,330	15,931	17,216	18,527
Sea Grant					
Sea grant college program.....	43,200	43,238	44,000	55,000	49,000
Sea grant—oyster disease.....	0	0	1,500	0	1,500
Sea grant—zebra mussel.....	2,800	0	2,800	0	2,800
National coastal R&D institute.....	1,100	0	1,000	1,000	1,000
Subtotal.....	47,100	43,238	49,300	56,000	54,300
Undersea Research Program					
NOAA Undersea Research Program.....	18,100	0	16,000	18,000	18,000
Maine marine research center.....	1,900	1,900	0	1,900	1,500
Subtotal.....	20,000	1,900	16,000	19,900	19,500
Total, Ocean & Great Lakes Programs.....	85,445	59,468	81,231	93,116	92,327
TOTAL, OAR.....	226,844	237,992	237,058	242,362	259,147

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994	FY 1995			
	Appropriation	Request	House	Senate	Conference
(Dollars in Thousands)					
<b>NATIONAL WEATHER SERVICE:</b>					
<b>Operations and Research:</b>					
Local Warnings and Forecasts .....	319,868	322,640	322,640	333,900	323,140
MARDI.....	75,000	120,457	115,946	115,946	115,946
WSFOs — maintain 8 stations.....	752	752	752	752	752
Data buoy maint. for Hawaii.....	542	542	542	542	542
Pacific & Alaska Region HQ.....	366	366	366	866	366
Agricultural & fruit frost program.....	2,316	2,316	2,316	2,300	2,316
Fire weather services.....	449	449	449	449	449
Susquehanna River Basin Flood Sys.....	900	669	1,250	669	1,250
Aviation forecasts.....	35,596	35,596	35,596	35,596	35,596
Flood Warning System/Colorado River.....	288	288	288	288	288
Samoa.....	200	0	100	100	100
Regional climate centers.....	3,000	0	3,000	3,200	3,200
California data buoys.....	200	200	200	0	200
Subtotal.....	439,477	484,275	483,445	494,608	484,145
Central Forecast Guidance .....	28,555	31,217	30,000	29,169	29,169
Atmospheric and Hydrological Research .....	2,400	2,629	2,600	2,500	2,500
Total, Operations and Research.....	470,432	518,121	516,045	526,277	515,814
<b>Systems Acquisition:</b>					
<b>Public Warning and Forecast Systems</b>					
NEXRAD.....	120,000	79,641	79,641	79,641	83,141
ASOS.....	18,135	17,534	17,534	17,534	17,534
AWIPS/NOAAPort.....	43,564	49,550	39,550	35,000	35,000
Computer Facility Upgrades.....	8,000	13,874	10,000	13,000	10,000
Total, Systems Acquisition.....	189,699	160,599	146,725	145,175	145,675
<b>TOTAL, NWS.....</b>	<b>660,131</b>	<b>678,720</b>	<b>662,770</b>	<b>671,452</b>	<b>661,489</b>

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994 Appropriation		FY 1995		
		Request	House	Senate	Conference
	(Dollars in Thousands)				
<b>NATIONAL ENVIRONMENTAL SATELLITE, DATA, AND INFORMATION SERVICE:</b>					
Satellite Observing Systems:					
Polar spacecraft and launching .....	139,000	159,078	151,370	147,678	146,675
Polar convergence/joint program office.....	0	0	0	22,000	16,000
Geostationary spacecraft and launching.....	123,746	138,047	133,000	134,562	132,610
Ocean remote sensing.....	0	0	0	10,800	6,000
Environmental observing services .....	49,443	51,798	51,700	51,161	51,500
Total, Satellite Observing Systems.....	312,189	348,923	336,070	366,201	352,785
Environmental Data Management Systems :.....	22,000	24,787	22,881	22,881	24,500
Data and Information Services.....	15,300	10,300	10,300	9,500	11,300
Total, EDMS.....	37,300	35,087	33,181	32,381	35,800
<b>TOTAL, NESDIS.....</b>	<b>349,489</b>	<b>384,010</b>	<b>369,251</b>	<b>398,582</b>	<b>388,585</b>
<b>PROGRAM SUPPORT:</b>					
Administration and Services:					
Executive direction and administration.....	25,000	26,456	25,500	25,500	25,500
GLOBE.....	0	7,000	7,000	0	1/
Systems Program Office (SPO).....	1,100	2,588	1,800	2,500	1,800
Subtotal.....	26,100	36,044	34,300	28,000	27,300
Central Administrative Support.....	38,000	38,194	37,898	37,898	37,898
Retired Pay Commissioned Officers.....	7,706	7,706	7,706	7,706	7,706
Total, Administration and Services.....	71,806	81,944	79,904	73,604	72,904
Marine Services .....	62,037	62,599	62,599	62,599	62,599
Fuel pricing.....	0	0	0	-500	-500
Total, Marine Services.....	62,037	62,599	62,599	62,099	62,099

1/ GLOBE funding of \$7 million included under the Climate and Global Change Program in the Office of Oceanic and Atmospheric Research.

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

	FY 1994	FY 1995			
	Appropriation	Request	House	Senate	Conference
(Dollars in Thousands)					
Aircraft Services .....	9,100	9,180	9,180	9,180	9,180
Critical safety & instrumentation.....	400	400	400	5,500	4,000
Total, Aircraft Services.....	9,500	9,580	9,580	14,680	13,180
TOTAL, Program Support.....	143,343	154,123	152,083	150,383	148,183
General Reduction.....	0	0	0	-450	0
DIRECT OBLIGATIONS.....	1,801,939	1,912,083	1,874,032	1,929,000	1,915,000
Rental cost reductions.....	0	-2,054	-2,054	-2,054	-2,054
REIMBURSABLE OBLIGATIONS.....	368,232	316,235	316,235	316,235	316,235
TOTAL OBLIGATIONS.....	2,170,171	2,226,264	2,188,213	2,245,235	2,231,235
FINANCING:					
Deobligations.....	-22,990	-15,000	-15,000	-15,000	-16,000
Reimbursable Obligations:					
Federal funds.....	-331,427	-280,626	-280,626	-280,626	-280,626
Non-federal funds.....	-36,805	-35,609	-35,609	-35,609	-35,609
BUDGET AUTHORITY .....	1,778,949	1,895,029	1,856,978	1,914,000	1,899,000
FINANCING FROM PROPOSED TRANSFERS & NEW FEES:					
Promote and develop American fisheries.....	-54,800	-55,500	-55,500	-55,500	-55,500
Damage assessment & restoration revolving fund.....	-29,796	-8,500	-8,500	-8,500	-8,500
B.A. Subtotal.....	1,694,353	1,831,029	1,792,978	1,850,000	1,835,000
Fisheries fees.....	0	-82,000	-35,000	0	0
Aeronautical chart fees.....	0	-3,000	-3,000	0	-3,000
Marine sanctuary fees.....	0	-3,000	-3,000	0	-3,000
APPROPRIATION, ORF.....	1,694,353	1,743,029	1,751,978	1,850,000	1,829,000

Activities funded under this conference agreement for the National Oceanic and Atmospheric Administration which were originally addressed in only the House report (H. Rept. 103-552) or the Senate report (S. Rept. 103-309), are provided in accordance with any direction given in that report, unless expressly modified in the following statement.

#### NATIONAL OCEAN SERVICE

Within the total amount provided for NOAA, the conference agreement includes a total of \$188,408,000 for the National Ocean Service (NOS).

Of the amount provided for mapping and charting, the conferees intend that funds be used to support installation and operation of current, wind, tide, salinity and water level measuring devices in the Houston Ship channel and Galveston Bay as described in the House report.

Within the \$11,000,000 provided for the Coastal Ocean program, \$700,000 is for the continuation of research at the Baruch Institute as described in the Senate report.

#### NATIONAL MARINE FISHERIES SERVICE

The conference agreement includes \$269,188,000 for the National Marine Fisheries Service (NMFS). The amount provided assumes no offsetting fee collections for living marine resources fees as proposed by the House. The conferees continue to encourage NOAA to work with the authorizing committees to examine appropriate fee proposals, particularly fees related to controlled access regimes and special management practices as required by Fishery Management Plans. It is the position of the conferees that if such fees were to be authorized, all revenues collected through new marine resource fees should be used only for enhancement of the fisheries management programs.

The conference agreement includes a total of \$2,300,000 for the management of highly migratory species, such as bluefin tuna and swordfish, as proposed in the House report. This amount includes \$150,000 for aerial surveys of bluefin tuna.

The conferees concur with the designation of funds provided under resource information for MARMAP and for the Hatfield Marine Science Center as stated in the Senate report. The conference agreement also includes \$5,200,000 for Alaskan groundfish monitoring to be distributed according to the direction given in the Senate report.

The conference agreement includes \$4,000,000 for interstate fisheries commissions, including \$500,000 for the three interstate commissions and \$3,500,000 for the implementation for the Atlantic Coastal Fisheries Cooperative Management Act.

The conferees support the use of funds provided for the aquaculture program in accordance with language included in both the House and Senate reports.

The conferees have provided \$8,000,000 for habitat conservation. Within that amount, \$1,000,000 is provided as a one-time grant to the State of Alaska for the protection and restoration of salmon habitat in the Kenai River watershed area of Alaska. The Kenai River and its tributaries support sport and commercial fisheries valued at \$100,000,000 annually, and fish habitat degradation has become an increasing concern. The State of Alaska should use these funds to continue developing programs to restore and protect the Kenai River fish habitat, and to work with the appropriate Federal, State and local organizations in carrying out these programs.

The conferees are aware of public health concerns related to the consumption of raw

molluscan shellfish by at-risk consumers, and believe that a comprehensive education program is the appropriate response to the problems of at-risk consumers. The conferees are aware that NMFS has identified \$500,000 in Saltonstall-Kennedy funds (made available in previous years) which may be used for these purposes. The conferees support the use of these funds for a multi-year program, that includes industry participation, to educate at-risk consumers and the medical community regarding the public health concerns related to the consumption of raw molluscan shellfish.

Within the base funding for Marine Mammal Protection Act, the conferees intend that NOAA continue to fund existing programs at the fiscal year 1994 levels including \$1,500,000 for marine resources observers in the North Pacific and \$500,000 for harbor seal research by the State of Alaska. The conferees endorse the House report language requesting NOAA to fund a proposal for a coordinated response to the management of marine mammal populations off the coast of Washington State, and believe such a coordinated response should include the coast of Oregon as well.

The conference agreement includes \$2,800,000 for the North Atlantic fishery reinvestment program. The conferees endorse the language included in the Senate report expressing concerns that the Department of Commerce should not bear the sole responsibility for the Federal government's response to socio-economic impacts arising from the crash in the New England groundfish fishery.

Amounts provided for the RECFIN program are provided in accordance with the Senate report.

The conferees note that both the House and Senate reports encourage NOAA to develop marking programs for salmon and other endangered fish stocks as an innovative management strategy. The conferees encourage NOAA to consider funding pilot programs for salmon marking and to submit a reprogramming of funds for such activities if necessary.

#### OCEANIC AND ATMOSPHERIC RESEARCH

The conference agreement includes \$259,147,000 for NOAA's Oceanic and Atmospheric Research.

The conferees have provided a total of \$78,000,000 for the Climate and Global Change program, which includes \$7,000,000 for the GLOBE program as proposed by the Senate. The House report displayed this amount for GLOBE under a separate line item in the NOAA table. Within the remaining \$71,000,000 for the Climate and Global Change program, \$26,800,000 is provided for research on the role of oceans on climate.

The amounts provided in the conference agreement under weather research include funding for the PROFS program as proposed by the House, \$300,000 for a one-time grant to the University of North Dakota for an agricultural weather initiative, and \$500,000 above the base for the Health of the Atmosphere program. The conferees would be willing to consider a reprogramming of base funds from within OAR to increase the amounts available for the Health of the Atmosphere initiative.

The conferees recommend \$1,500,000 for the University of Maine Regional Marine Research Center. No funds are provided for additional centers or planning efforts. The amounts provided for the National Undersea Research Program (NURP) include \$3,800,000 for the Hawaii center. The conferees also concur with the House report language regarding funding for the national office.

#### NATIONAL WEATHER SERVICE

The conference agreement includes \$661,489,000 for the National Weather Service (NWS). Within the amount provided for local warnings and forecasts, \$500,000 is included for a weather buoy and three monitoring stations in Prince William Sound, Alaska. The conferees concur with language included in the Senate report regarding an increase above base funding for the Stoneville, MS, weather station.

The conferees endorse the intent of NOAA to follow up on concerns expressed by the Congress with respect to the adequacy of coverage in certain areas of the country under the NWS modernization plan, by arranging for an independent review of the NWS implementation plan. The conferees expect NOAA to consider in this independent review the specific coverage concerns highlighted in the House and Senate reports, in floor debate and through other communication from the Congress, and to provide periodic updates to the Committees on Appropriations of the House and the Senate on the status of this review.

The conferees endorse the report language included in the House report regarding NOAA weather radio.

The fiscal year 1995 NWS Implementation Plan for Modernization states that the Jackson, Kentucky Weather Service Office will remain unchanged under weather service modernization and continue to provide services to Eastern Kentucky. The conferees believe the unique climatological and meteorological conditions of Eastern Kentucky made it necessary for the area to receive the highest quality of weather service to protect the life and safety of the residents. Therefore, the conferees expect the NWS to procure and install a NEXRAD system in Jackson, Kentucky, and have provided the necessary funding increases under NEXRAD system acquisition and under the NOAA construction account to carry out this direction.

#### NATIONAL ENVIRONMENTAL SATELLITE DATA, AND INFORMATION SERVICE

The conference agreement includes \$388,585,000 for NOAA's National Environmental Satellite, Data, and Information Service.

The conferees endorse the Senate report language on the converged polar satellite program and have included \$16,000,000, designated in the bill, for the integrated program office for a converged polar satellite system.

The conferees have provided \$6,000,000 to initiate an ocean satellite remote sensing program, instead of \$10,800,000 as proposed by the Senate.

The conferees are supportive of the National Performance Review recommendations directing NOAA to organize the implementation of a National Environmental Data Index. The conferees share an interest in seeing the Federal government coordinate and integrate the environmental data resources found in various Federal agencies in order to ensure maximum benefit from our investment and to avoid duplication of efforts. The conferees urge NOAA to initiate a plan for implementation of the National Environmental Data Index as part of its fiscal year 1996 budget request.

The conferees intend that NOAA continue to maintain fourteen coastal data buoys, as provided in the House report. The conferees expect NOAA to submit a long-term plan for funding these data buoys as part of its fiscal year 1996 request.

## PROGRAM SUPPORT

The conference agreement includes \$148,183,000 for NOAA program support. Within the amounts provided for aircraft instrumentation, \$3,600,000 if for acquisition of doppler radar capability for the new NOAA hurricane reconnaissance aircraft.

The conference agreement assumes \$16,000,000 in deobligations of prior year funds.

## COASTAL ZONE MANAGEMENT FUND

Amendment No. 63: Restores language proposed by the House and stricken by the Senate which makes funds provided under this heading available for purposes set forth in 16 U.S.C. 1456a(b)(2). The Senate bill had proposed new language designating \$3,671,000 for CZM program administration costs and \$4,129,000 for CZM section 306 grants.

## CONSTRUCTION

Amendment No. 64: Appropriates \$97,600,000 for the NOAA construction account instead of \$100,000,000 as proposed by the Senate and \$52,000,000 as proposed by the House, and designates in the bill the following amounts: \$2,500,000 for a grant to Kansas City, Missouri for the development of a weather and environment information and demonstration center; and continuations of the following ongoing construction projects funded in previous years: \$1,000,000 for a grant to Mystic Seaport in Mystic, Connecticut for a maritime education center; \$3,500,000 for a Multi-species Aquaculture Center in the State of New Jersey; \$2,000,000 for the construction of the Massachusetts Biotechnology Center Research Institute in Boston; and \$5,200,000 for the Center for Interdisciplinary Research and Education in Indiana. These designations were not included in either the House or Senate bills.

The conferees intend that funds provided under this account in previous fiscal years for the purpose of establishing a biotechnology innovation center in Boston be made available to the Massachusetts Biotechnology Research Institute (MBRI).

The conference agreement also includes a total of \$32,800,000 for fisheries and oceans facilities, of which \$11,000,000 is for the construction of the interagency Estuarine Habitats Research Laboratory in Lafayette, Louisiana. This facility is to be staffed, operated and supported by agencies other than the National Oceanic and Atmospheric Administration, such as the Corps of Engineers. Also, \$2,600,000 of this amount is included for the completion of a wharf and support facilities at the Marine Science Center in Newport, Oregon. Another \$7,500,000 is included within that amount to initiate expansion of the National Marine Fisheries Service Southeastern Laboratory. This new facility will house NOAA, State of South Carolina Marine Resources, and other agency personnel. The remaining funds provided under the fisheries/oceans facilities line are for ocean and fisheries facilities of NOAA, including the consolidation of NOAA facilities in Juneau, Alaska.

Within the amount provided for National Estuarine Research Reserves, \$980,000 is for acquisition of real property to expand the ACE basin estuarine reserve in South Carolina.

The conferees concur with language included in the House report on the relocation of the NMFS Tiburon laboratory.

Within the amount provided for Columbia River hatchery facilities, \$6,500,000 is included for irrigation screens as recommended in the Senate report.

The conferees agree with the Senate report language regarding the need for \$4,000,000 within the funds provided for environmental compliance for cleanup and removal activities on St. George and St. Paul Islands, Alaska.

The conference agreement includes the following amounts for the NOAA construction account:

[In thousands of dollars]

Construction:	
NOAA Facilities Maintenance .....	\$4,000
Sandy Hook lease .....	1,500
Environmental compliance .....	6,000
Boulder lab—above standard costs .....	2,000
NEXRAD WFO construction .....	20,300
Columbia river facilities .....	8,200
Silver Spring consolidation .....	2,300
NOAA research facilities .....	1,900
Fisheries/oceans facilities .....	33,200
Other facilities .....	14,200
Natl Estuarine Research Reserve ..	4,000
<b>Subtotal, Construction .....</b>	<b>97,600</b>

## FISHING VESSEL OBLIGATIONS GUARANTEES

Amendment No. 65: Appropriates \$250,000 in subsidy funding for the fishing vessel obligation guarantee program, instead of \$459,000 as proposed by the House, and includes new language not in the House bill which restricts availability of these loan guarantees for the purpose of purchasing new vessels. The Senate bill contained no provision on this matter.

The conferees have included language which is intended to ensure that these funds are not used for purposes which contribute to the overcapitalization of the fishing industry. The conferees intend that the funds provided be available for the refinancing of existing debt, renovation and repair of existing vessels and facilities, and construction of new shoreplants for underutilized species, aquaculture and waste reduction.

## GENERAL ADMINISTRATION

## OFFICE OF INSPECTOR GENERAL

Amendment No. 66: Appropriates \$16,900,000 for the Department of Commerce Office of Inspector General as proposed by the House instead of \$17,250,000 as proposed by the Senate. The conferees concur with language included in the House report (H. Rept. 103-552) regarding the transfer of funds from other Commerce agencies to support the audit activities of the Office of Inspector General. The conferees agree that the fiscal year 1996 Department of Commerce budget request should reflect a base transfer of these funds to the Office of Inspector General.

## BUREAU OF THE CENSUS

## SALARIES AND EXPENSES

Amendment No. 67: Appropriates \$136,000,000 for salaries and expenses of the Bureau of the Census instead of \$141,272,000 as proposed by the House and \$135,000,000 as proposed by the Senate.

Within the amounts provided, the conferees expect the Census Bureau to begin the proposed efforts to modernize and restructure the standard industrial classification (SIC) code system. The conferees continue to be concerned about the number of statistical briefs on a variety of subjects released by the Census Bureau and expect a thorough review of the need for these reports to be conducted as soon as possible to identify possible savings which could be reprogrammed to cover other high priority programs.

## PERIODIC CENSUSES AND PROGRAMS

Amendment No. 68: Appropriates \$142,576,000 for the Census Bureau's periodic

account, including the decennial census program, as proposed by the House instead of \$145,000,000 as proposed by the Senate.

The amount provided in the conference agreement includes the funding recommended in the House report for the Bureau to continue its efforts to prototype high performance computing technologies necessary for the Year 2000 Census. The conferees also support the continuation of the program to develop intercensal poverty estimates.

The conferees expect the Census Bureau to continue examining its unliquidated obligations to identify amounts which could be deobligated and reprogrammed to cover other priority needs related to the Year 2000 Census. The conferees expect the Census Bureau to submit quarterly reports to the House and Senate Committees on Appropriations on the status of obligation of funds as described in the House report. The conferees expect the Census Bureau to submit a reprogramming notification to the House and Senate Committees on Appropriations before obligating any more than the currently anticipated \$2,772,000 in recoveries of prior year obligations identified in the budget request.

## ECONOMIC AND STATISTICAL ANALYSIS

## SALARIES AND EXPENSES

Amendment No. 69: Appropriates \$46,937,000 for the Commerce Department's economic and statistical programs as proposed by the Senate instead of \$48,615,000 as proposed by the House.

The conferees understand that there has been considerable debate over the years as to the objectivity, methodology, and applicability of "Integrated Environmental-Economic Accounting" or "Green GDP". The conferees understand that the Department has completed the development of Phase I of this initiative, the conferees believe that an independent review, by an external organization such as the National Academy of Sciences, should be conducted to analyze the proposed objectivity, methodology, and application of environmental accounting. The conferees expect BEA to use \$400,000 under this account to fund this independent study, as suggested by the House report. The conferees expect BEA to suspend development of Phase II of this initiative until the review has been completed and the results have been submitted to the Committees on Appropriations of the House and the Senate, as well as the appropriate authorizing committees.

## INTERNATIONAL TRADE ADMINISTRATION

## OPERATIONS AND ADMINISTRATION

Amendment No. 70: Appropriates \$266,450,000 for the International Trade Administration, instead of \$268,723,000 as proposed by the House and \$262,000,000 as proposed by the Senate, and adds language designating funds as follows: \$1,000,000 for a grant to the Emerging Technologies Institute (ETI) in Sacramento, California; \$930,000 for a grant to the Michigan Biotechnology Institute; \$1,700,000 for the Massachusetts Biotechnology Research Institute in Worcester; \$1,200,000 for the Center for Global Competitiveness in Loretto and Latrobe, Pennsylvania; and \$3,400,000 for the Textile Clothing Technology Corporation. These designations were not included in either the House or Senate bills.

The following table displays the amounts provided for ITA by program component:

(In thousands of dollars)

	1994 Appropriation	1995			
		Request	House	Senate	Conference
US&FCS	136,598	152,102		155,102	149,420
Import administration	32,341	32,890		25,902	30,000
International economic policy	19,748	20,509		23,155	21,000
Trade development	59,903	56,289		57,841	66,030
Total	248,590	261,790	268,723	262,000	266,450

The conferees reiterate that the amounts displayed in the above table serve as a base for reprogramming. The conferees agree that any change in the use of funds from the purposes for which provided, including having one ITA component pay for the requirements of another, is subject to submission of a reprogramming notification in accordance with Section 605 of this Act. The conferees also expect to receive notification of reprogramming for any change in the use of carryover funds from the purpose for which originally appropriated.

The conferees have reviewed the Department of Commerce's response to the Senate report language regarding the expansion of export assistance centers/one stop shops, and reorganizing domestic United States and Foreign Commercial Service (US&FCS) along a "hub and spoke" concept. The conferees have concerns about the process which was used to carry out the notification of the Committees on Appropriations of the House and the Senate of the reorganization proposal. The conferees do not consider press releases to be an appropriate manner by which to respond to Appropriations Committee requests for information.

The conferees generally support the proposal put forward by the Department and the US&FCS. However, the conferees are concerned with and do not approve the proposed siting of some of the new US&FCS domestic offices. The conferees expect that the new export assistance center for the Carolinas, with three FTE, be established in Greenville, South Carolina, which is a center for foreign investment and American export firms. The conferees are also concerned that the most recent proposal for export assistance fails to include several states, including the State of Kentucky. The conferees expect US&FCS to locate a district export assistance center in Somerset, Kentucky.

The conferees agree that the US&FCS, as it expands its overseas network, should hire American citizens wherever practicable. The conferees understand that in some cases, hiring foreign nationals for these positions may be more practical or more cost efficient. The conferees expect a hiring ratio of one foreign national employee for every American citizen hired with the enhanced funding provided.

The conferees have been made aware of concerns that the effectiveness of the anti-dumping statute is being diminished by increasing instances of foreign companies engaging in subterfuges in order to avoid anti-dumping duties. The purpose of the anti-dumping statute is to prevent foreign companies from engaging in illegal pricing schemes by charging less in foreign markets than in the home market. The conferees understand that often, foreign companies operating in protected home markets will dump products in the United States in order to capture market share, while collecting profits in their closed home markets. The antidumping statute was enacted to ensure that American producers can sell their products at a fair price. The conferees also understand that in many cases, foreign companies found guilty

of dumping will establish related party subsidiaries that import the dumped goods and absorb the duties, thus allowing the goods to still be sold at a dumped price.

The conferees believe that the Import Administration should publish, in its Administrative Reviews of outstanding orders, the amount of the dumping duty that is being absorbed by a related party. Furthermore, the conferees expect the Import Administration to report back to the Committees on Appropriations of the House and the Senate, as well as the appropriate authorizing committees, on what steps have been taken to prevent companies from circumventing dumping orders.

The conferees agree that up to \$500,000 of the amounts provided for ITA should be used to establish an export center in Tokyo, as proposed in the Senate report (S. Rept. 103-309).

Within the funds available under this account for the market development cooperation program, the conferees encourage ITA to consider funding programs which assist American high technology firms in developing joint ventures and strategic alliances with overseas partners.

#### EXPORT ADMINISTRATION

##### OPERATIONS AND ADMINISTRATION

Amendment No. 71: Appropriates \$38,823,000 for the Bureau of Export Administration as proposed by the House instead of \$36,161,000 as proposed by the Senate.

The conferees agree that funding for the Bureau of Export Administration is of the highest priority and would consider a transfer of funds under section 205 of this Act to cover any shortfalls in this account.

##### MINORITY BUSINESS DEVELOPMENT AGENCY

##### MINORITY BUSINESS DEVELOPMENT

Amendment No. 72: Appropriates \$43,900,000 for the Minority Business Development Agency instead of \$44,000,000 as proposed by the Senate and \$42,428,000 as proposed by the House, and includes language, not in either the House or Senate bills, designating funds for the following items: \$600,000 for a grant for the NTTC to establish a Minority Apprenticeship Program in Technology Management in cooperation with Historically Black Colleges and Universities; \$100,000 for a grant to establish a Minority Economic Opportunity Center in Cleveland, Ohio, to assist minority businesses in the areas of business and financial development and exporting; and \$200,000 for a grant to provide funding to the U.S.-African Trade and Technology Center at Savannah State College in Georgia to assist small and minority businesses in expanding trade-facilitating technology transfer.

The conferees support efforts within the Department of Commerce to coordinate the mission of MBDA with the Technology Administration in order to provide expanded opportunities for minority businesses and entrepreneurs.

##### UNITED STATES TRAVEL AND TOURISM

##### ADMINISTRATION

##### SALARIES AND EXPENSES

Amendment No. 73: Appropriates \$16,407,000 for the salaries and expenses of the U.S.

Travel and Tourism Administration (USTTA) instead of \$14,907,000 as proposed by the House and \$17,907,000 as proposed by the Senate.

Amendment No. 74: Deletes language proposed by the Senate which would require USTTA to charge additional user fees for its services, products, and information to result in an additional \$3,000,000. The House-passed bill continued no similar provision.

##### PATENT AND TRADEMARK OFFICE

##### SALARIES AND EXPENSES

Amendment No. 75: Appropriates \$83,000,000 for the salaries and expenses of the Patent and Trademark Office, instead of \$88,329,000 as proposed by the House and \$75,000,000 as proposed by the Senate, and includes language, not in either bill, designating \$6,000,000 of the funds provided for the acquisition of high performance computing capability for the PTO. The conference agreement also includes language, not in either bill, which permanently cancels \$2,195,000 of offsetting collections in this account related to government-side GSA rental cost reductions.

The conferees believe that the acquisition of high performance computing capability will ensure that the Patent and Trademark Office is best able to serve its users in the future. The conferees are aware of the development of a metacomputing center in close proximity to the PTO headquarters. This center will be an open site that is easily accessible by the private sector and the Federal government. The conferees believe that the development of such a center will obviate the need for Federal agencies such as the PTO to individually purchase high performance computing equipment at a great cost to the Federal taxpayer and fee paying users of the Patent and Trademark Office.

The conferees expect the Patent and Trademark Office to use \$500,000 from within available resources to develop a program to provide technical assistance to help foreign governments enforce intellectual property laws as proposed in the Senate report under the International Trade Administration.

##### TECHNOLOGY ADMINISTRATION

##### UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF TECHNOLOGY POLICY

Amendment No. 76: Appropriates \$10,000,000 for the Under Secretary of Commerce for Technology and the Office of Technology Policy as proposed by the House instead of \$11,237,000 as proposed by the Senate.

##### NATIONAL TECHNICAL INFORMATION SERVICE

##### NTIS REVOLVING FUND

Amendment No. 77: Restores language stricken by the Senate appropriating \$8,000,000 to the National Technical Information Service for the implementation of the American Technology Preeminence Act, instead of \$12,000,000 as proposed by the House.

The conferees have been made aware of concerns that some of the programs proposed in the original budget request for this account were potentially duplicative of the responsibilities of the Government Printing Office (GPO). The conferees expect NTIS and

the Department of Commerce to develop a proposal, to be coordinated with the Government Printing Office, describing the proposed uses of these funds and the delineation of responsibilities of both NTIS and GPO relative to the American Technology Pre-eminence Act. The conferees expect the Department to submit this proposal to the Committees on Appropriations of the House and the Senate by November 1, 1994, and expect that none of the funds provided under this heading will be expended until this proposal has been received and reviewed under the Committee's standard reprogramming procedures contained in section 605 of this Act.

#### NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

##### SALARIES AND EXPENSES

Amendment No. 78: Appropriates \$20,981,000 for the salaries and expenses of the National Telecommunications and Information Administration (NTIA) as proposed by the Senate instead of \$21,056,000 as proposed by the House.

Amendment No. 79: Provides language proposed by the Senate which will allow NTIA to carry over reimbursable payments from other Federal agencies, such as the Department of Defense. The House bill contained no similar provision.

#### PUBLIC BROADCASTING FACILITIES, PLANNING AND CONSTRUCTION

Amendment No. 80: Appropriates \$29,000,000 for the Public Broadcasting Facilities, Planning and Construction program (PBFP) instead of \$26,000,000 as proposed by the House and \$30,000,000 as proposed by the Senate.

Amendment No. 81: Designates \$1,500,000 for the Pan-Pacific Educational and Cultural Experiments by Satellite program (PEACESAT) as proposed by the Senate instead of \$700,000 as proposed by the House.

##### INFORMATION INFRASTRUCTURE GRANTS

Amendment No. 82: Appropriates \$64,000,000 for the Information Infrastructure Grants program instead of \$70,000,000 as proposed by the House and \$52,000,000 as proposed by the Senate.

The conferees concur with the language included in the House report noting the value of the creation of a national information highway to rural and remote areas, and urge NTIA to give particular consideration to applications which would lead to increased telecommunications access in areas where such service is not readily available.

The conferees support the competitive selection and award of information infrastructure grants. In this regard, the conferees endorse the review and consideration of the various proposals named in the House and Senate reports should applications be submitted. The conferees have been made aware

of the following technical change in the description of a proposal listed as item number (5) in the House report, and encourage NTIA to consider an application as follows:

(5) a proposal by the NCexCHange and the Southeastern Regional Alliance in North Carolina to assist non-profit organizations and businesses in using the telecommunications infrastructure.

Amendment No. 83: Provides language proposed by the Senate clarifying that activities of the Advisory Council on National Information Infrastructure may be supported within funds provided for program support activities under this heading. The House bill contained no similar provision.

#### ECONOMIC DEVELOPMENT ADMINISTRATION

##### ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Amendment No. 84: Restores language proposed by the House and stricken by the Senate designating trade adjustment assistance as a use of the funds provided under this heading and provides \$408,024,000 for the economic development assistance programs instead of \$338,524,000 as proposed by the House and \$412,198,000 as proposed by the Senate. The following table shows a comparison of the recommended conference agreement to the amounts provided by the House and Senate:

#### ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

(In thousands of dollars)

	Fiscal year—				
	1994	1995 request	1995 House	1995 Senate	1995 conference
Public works grants	160,000	130,924	175,000	174,000	195,000
Planning assistance	26,000	26,000	26,598	27,272	26,598
Technical assistance (including University Centers)	10,600	10,600	10,926	10,926	10,926
Defense Economic Conversion	80,000	140,000	80,000	140,000	120,000
Research and evaluation	500	500	500	0	500
Trade adjustment assistance	10,000	0	10,000	10,000	10,000
Economic adjustment grants	35,542	19,000	35,500	50,000	45,000
Total	322,642	327,024	338,524	412,198	408,024

The conferees are interested in EDA's proposed Competitive Communities concept to assist distressed communities in developing the necessary industrial base to compete in the global marketplace. The conferees expect EDA to submit a detailed plan for implementation of a pilot program for competitive communities. In this plan, EDA should address concerns expressed by both the House and Senate appropriations and authorizing committees that the program be structured in such a way that both defense conversion-impacted communities and traditional communities benefit equally from this innovative concept. Further, the plan should be structured so that it benefits rural areas as well as urban centers. The conferees expect the Department and EDA to submit this detailed plan no later than December 1, 1994. Upon review of the proposal by the appropriate committees, the House and Senate Committees on Appropriations would be willing to consider a reprogramming proposal for the Competitive Communities program, to be submitted by January 31, 1995 in accordance with the Committees' standard reprogramming procedures included in Section 605 of this Act. The conferees intend that any funds proposed for reprogramming for this purpose from amounts provided under defense conversion in this Act would be used to fund the competitive communities concept only in defense-impacted communities. Likewise, any reprogramming from other Title IX funds for this purpose should

only be directed toward competitive communities programs in traditional, non-defense communities.

Amendment No. 85: Deletes language proposed by the Senate earmarking funds provided under this heading for the trade adjustment assistance program and the Title I Public Works grant program. The House bill contained no similar provision.

The conferees have agreed to provide funding for both of these programs; a table displaying the amounts provided for all EDA assistance programs is included under Amendment No. 84.

The conferees endorse EDA's review and consideration of all viable proposals named in both the House and Senate reports accompanying this bill, should those proposals be submitted. The conferees have also been made aware of the following additional proposals for economic development assistance, and encourage EDA to consider applications for these proposals within applicable procedures and guidelines:

(1) a proposal from the Southern Kentucky Economic Development Corporation for the implementation of a strategic plan for industrial recruitment and economic development within southern and eastern Kentucky;

(2) a proposal from the Wood County Development Authority to develop an industrial park;

(3) a proposal from the State of North Carolina and Pembroke State University for the development of a Regional Center for

Economic, Community and Professional Development;

(4) a proposal from the City of Akron, Ohio, for exhibition development at the National Invention Center; and

(5) a proposal from the City of Pittsburgh for a grant for site assembly and infrastructure development for the Federal North Redevelopment Project.

##### SALARIES AND EXPENSES

Amendment No. 86: Appropriates \$32,205,000 for the EDA salaries and expenses as proposed by the House instead of \$36,000,000 as proposed by the Senate.

The conferees support the language included in the House report regarding the regional versus headquarters staffing.

#### GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

Amendment No. 87: Deletes language proposed by the Senate requiring that not to exceed \$6,177,000 of the savings associated with procurement reform be assigned to the National Oceanic and Atmospheric Administration (NOAA). The House bill contained no similar provision.

The conferees agree with the intent of the Senate amendment that the burden of the procurement reform reductions to be taken by the Department not be borne disproportionately by NOAA and that NOAA should not be allocated more than one-half the total reduction required under this provision. The conferees expect the Department to notify

the House and Senate Committees on Appropriations of the distribution of these proposed procurement savings under the reprogramming procedures contained in Section 605 of this Act.

### TITLE III—THE JUDICIARY

#### SUPREME COURT OF THE UNITED STATES

##### SALARIES AND EXPENSES

Amendment No. 88: Appropriates \$24,240,000 instead of \$24,157,000 as proposed by the House and \$24,323,000 as proposed by the Senate.

##### CARE OF THE BUILDING AND GROUNDS

Amendment No. 89: Appropriates \$3,000,000 as proposed by the House instead of \$3,045,000 as proposed by the Senate.

United States Court of Appeals for the Federal Circuit.

##### SALARIES AND EXPENSES

Amendment No. 90: Appropriates \$13,438,000 as proposed by the House instead of \$13,362,000 as proposed by the Senate.

#### UNITED STATES COURT OF INTERNATIONAL TRADE

##### SALARIES AND EXPENSES

Amendment No. 91: Appropriates \$11,685,000 as proposed by the House instead of \$11,765,000 proposed by the Senate.

#### COURT OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

##### SALARIES AND EXPENSES

Amendment No. 92: Appropriates \$2,340,127,000 instead of \$2,323,455,000 as proposed by the House and \$2,409,318,000 as proposed by the Senate.

The following table reflects the net increase of \$16,672,000 provided by the conference agreement above the House level:

(In thousands of dollars)

Base adjustments:	
Increased Article III judge vacancies .....	-\$9,000
New space for FY 1995 .....	-2,330
Annualization of space for FY 1994 .....	+9,073
Program increases:	
Magistrate Judges/staff .....	+3,300
Clerks Offices:	
(1) Deputy Clerks/Courts of Appeals .....	+1,100
(2) Deputy Clerks/District Courts .....	+3,529
(3) Deputy Clerks/Bankruptcy Courts .....	-10,986
Probation and pretrial services:	
Workload Requirements .....	+15,486
Automation:	
Judiciary automation fund .....	+3,500
Facilities:	
Tenant alterations .....	+3,000

The conferees are agreed that the Judicial Conference of the United States should establish new United States Magistrate Judge positions on the basis of additional workload requirements and other additional, appropriate criteria. The conferees note that the conference agreement does not fully fund the budget request for additional magistrates. Therefore, the conferees expect that the Judicial Conference should reevaluate the need for new magistrate positions and establish such positions in the districts of greatest need.

##### FEES OF JURORS AND COMMISSIONERS

Amendment No. 93: Appropriates \$59,346,000 instead of \$62,692,000 as proposed by the House and \$56,000,000 as proposed by the Senate.

##### COURT SECURITY

Amendment No. 94: Appropriates \$97,000,000 as proposed by the House instead of \$97,532,000 as proposed by the Senate.

#### ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

##### SALARIES AND EXPENSES

Amendment No. 95: Appropriates \$47,500,000 instead of \$46,500,000 as proposed by the House and \$47,734,000 as proposed by the Senate.

The conferees are concerned about the lack of information available from the General Services Administration concerning the delivery of new space and facilities projects for the Judiciary. This information is critical to the Committees' funding decisions on the budget requests for the Salaries and Expenses account for Courts of Appeals, District Courts, and Other Judicial Services. The conferees expect that the Administrative Office of the United States Courts will develop its own data base to keep track of approved space and facilities projects in order to provide the Appropriations Committees with timely information on the status of such projects.

#### FEDERAL JUDICIAL CENTER

##### SALARIES AND EXPENSES

Amendment No. 96: Appropriates \$18,828,000 as proposed by the House instead of \$19,739,000 as proposed by the Senate.

#### UNITED STATES SENTENCING COMMISSION

##### SALARIES AND EXPENSES

Amendment No. 97: Appropriates \$8,800,000 instead of \$8,468,000 as proposed by the House and \$9,200,000 as proposed by the Senate.

#### GENERAL PROVISIONS—THE JUDICIARY

##### Section 305

Amendment No. 98: Deletes a provision proposed by the Senate which would have extended the operating authority for the Judiciary Automation Fund for five years. The House bill contained no provision on this matter.

##### Section 306

Amendment No. 99: Deletes a provision proposed by the Senate which would have permitted the Judiciary's contributions to the Civil Service Retirement Fund to be paid back to the Judiciary when United States bankruptcy and magistrate judges elect to transfer their coverage from the Civil Service Retirement System or the Federal Employee's Retirement System to the retirement program established under the Retirement and Survivors' Annuities for Bankruptcy Judges and Magistrates Act of 1988. The House bill contained no provision on this matter.

#### TITLE IV—RELATED AGENCIES

#### DEPARTMENT OF TRANSPORTATION

##### MARITIME ADMINISTRATION

##### OPERATIONS AND TRAINING

Amendment No. 100: Appropriates \$76,100,000 for the Maritime Administration's Operations and Training account as proposed by the House instead of \$78,000,000 as proposed by the Senate, and adds language, not in either bill, which permanently cancels \$360,000 of the budgetary resources made available to the Maritime Administration for fiscal year 1995 procurement and procurement-related activities.

##### READY RESERVE FORCE

##### (INCLUDING RESCISSION)

Amendment No. 101: Appropriates \$150,000,000 for the maintenance and operations of the Ready Reserve Force instead of \$179,415,000 as proposed by the House and \$138,000,000 as proposed by the Senate.

Amendment No. 102: Rescinds \$158,000,000 from the unobligated balances available

under the Ready Reserve Force as proposed by the Senate. The House bill included a rescission of \$27,000,000 from the funds made available under this heading in Public Law 103-121.

#### COMMISSION ON IMMIGRATION REFORM

##### SALARIES AND EXPENSES

Amendment No. 103: Appropriates \$1,894,000 for the Commission on Immigration Reform as proposed by the Senate instead of \$1,494,000 as proposed by the House.

#### MARINE MAMMAL COMMISSION

##### SALARIES AND EXPENSES

Amendment No. 104: Appropriates \$1,384,000 for the Marine Mammal Commission as proposed by the Senate instead of \$1,320,000 as proposed by the House.

#### SMALL BUSINESS ADMINISTRATION

##### SALARIES AND EXPENSES

Amendment No. 105: Appropriates \$258,175,000 and inserts the following new provisions which were not in either the House or the Senate bill: an earmark of \$15,000,000 to implement section 24 of the Small Business Act as amended, including \$500,000 to be made available only to the City of Buffalo, New York; a provision which would continue to authorize the Natural Resources Development Program at \$30,000,000 per year from fiscal year 1995 through fiscal year 1997; and a provision which amends section 112(c) of the Small Business Administration Authorization and Amendment Act of 1988 through fiscal year 1997. This provision concerns the interest rate on certified development company loans. The House had proposed only an appropriation of \$258,900,000 for the Salaries and Expenses account, and the Senate had proposed only an appropriation of \$233,468,000 for this purpose.

The following table shows the distribution of the funds provided in the conference agreement for the SBA Salaries and Expenses account, including the funds earmarked in Amendment Nos. 107 and 108:

#### SBA salaries and expenses—fiscal year 1995

(In thousands of dollars)

	agreement
7(j) Program .....	8,073
SCORE .....	3,250
SBI .....	3,000
Women's Business Ownership Act of 1988 demonstration grants .....	4,000
SBDC .....	74,000
SBDC central Europe .....	1,000
SBDC defense economic transition .....	3,375
Veteran's outreach .....	445
International trade .....	481
Advocacy research .....	1,533
PASS .....	1,098
Title IV of the Women's Business Ownership Act of 1988 .....	200
White House Conference .....	2,490
Microloan technical assistance .....	9,000
Empowerment zones .....	1,786
Export assistance centers .....	3,202
BIC/OSCS .....	1,400
Natural Resources Development Program .....	15,000
Pittsburgh District Video Production .....	150
Paperless Procurement Program .....	500
Subtotal .....	113,620
Other salaries and expenses .....	133,742
Total program level salaries & expenses .....	267,525
Financing offsetting collections .....	-9,350
Total appropriation .....	258,175

The conference agreement includes \$150,000 for the continuation of a Video Production

Program which was established as a pilot program for Western Region II, Pittsburgh District of the Small Business Administration. The conferees are agreed that these funds are to be used for the program which was established in Johnstown, Pennsylvania for the development of industry-specific video catalogs that showcase small businesses to prime contractors, export partners, and trade missions. The conferees understand that the pilot program engendered strong interest among small businesses who now wish to participate because of the potential they see in this program.

The conference agreement also includes \$500,000 to establish a pilot program for small businesses designed to advance their transition to a paperless procurement environment. The conferees understand that the Department of Defense and the Office of Management and Budget are considering instituting an entirely new way to do business with the Federal government—a proposed evolution to an all-electronic system. While the conferees are advised that this initiative has the potential to save substantial amounts, conversion to a paperless environment is not without its costs and many small businesses have neither the funds nor the capability to insure their continued involvement in Federal procurement activities in such a new procurement environment. The conferees, therefore, expect the Small Business Administration to initiate a pilot program with the economic development entity currently involved with SBA in producing marketing videos in southwestern Pennsylvania and the WVHTC Foundation. To the extent practicable, small businesses should share in the costs of planning and implementing such an electronic procurement system and in modifying systems that may otherwise be critically needed to the marketing of their products.

The conference agreement includes \$3,202,000 for expansion of the Small Business Administration's participation in the export assistance center/one-stop shops initiative of the Administration called for in the report of the Trade Promotion Coordinating Committee. The conferees are agreed that the Small Business Administration should locate its centers in the same locations/offices as the United States and Foreign Commercial Service of the Department of Commerce and the Export-Import Bank of the United States since these agencies are the other partners in this initiative.

Amendment No. 106: Deletes a provision proposed by the Senate which would have permitted the Small Business Administration to charge a user fee for some of the costs of the Small Business Development Center program. The House bill contained no provision on this matter.

Amendment No. 107: Earmarks \$77,375,000 for the Small Business Development Center program instead of \$73,300,000 for this purpose as proposed by the House and \$72,000,000 as proposed by the Senate.

Amendment No. 108: Earmarks \$3,375,000 for defense economic transition technical assistance instead of \$5,000,000 for this purpose as proposed by the Senate. The House bill contained no provision on this matter. The conferees expect that not less than \$500,000 of this amount shall be available for the South Carolina Small Business Development Center to assist in the reuse of the Charleston Naval Base, displaced employees, and related economic impacts from this realignment.

Amendment No. 109: Restores language proposed by the House and stricken by the Senate which prohibits any of the funds in

this Act from being used to impose any new or increased user fee or management assistance fee for the Small Business Development Center program.

#### BUSINESS LOANS PROGRAM ACCOUNT

Amendment No. 110: appropriates \$9,596,000 for the Credit Subsidy Budget Authority cost of Small Business Administration's direct loans program instead of \$8,500,000 for this purpose as proposed by the House and \$9,221,000 for this purpose as proposed by the Senate.

The following table shows the allocation of subsidy costs and program levels for the various SBA direct loan programs under the conference agreement:

#### SMALL BUSINESS ADMINISTRATION DIRECT LOAN PROGRAMS

(In thousands of dollars)

	Conference agreement	
	Subsidy ap- propriations	Credit/Pro- gram level financed
Handicapped .....	1,700	4,928
MESBIC .....	2,533	7,554
Microloans .....	5,363	45,642
Total .....	9,596	58,124

Amendment No. 111: Appropriate \$278,305,000 for the Credit Subsidy Budget Authority cost of the Small Business Administration's Business Guaranteed Loans Program instead of \$321,067,000 for this purpose as proposed by the House and \$277,143,000 as proposed by the Senate. The conference agreement also adds new language which earmarks \$1,216,000 for the Microloan Guarantee Program to be available until expended and earmarks the following amounts to remain available until September 30, 1996: \$15,990,000 for the SBIC program; \$7,398,000 for the SSBIC program; and \$20,457,000 for the Participating Securities program. In addition, the conference agreement adds new language earmarking \$30,000,000 to prepay the Federal Financing Bank for debentures guaranteed by the Administration pursuant to section 503 of the Small Business Investment Act. The conference agreement also provides that the costs of guaranteed loans including the cost of modifying such loans shall be as defined in section 502 of the Congressional Budget Act of 1974. The conference agreement also includes new language appropriating \$27,350,000 and designating amounts for certain grant activities. Finally, the conference agreement makes a technical change in the bill.

The following table shows the allocation of subsidy costs and program levels under the conference agreement for the small business loans guarantee program:

#### GUARANTEED LOAN PROGRAMS

(In thousands of dollars)

	Conference agreement	
	Subsidy ap- propriations	Credit/Pro- gram level financed
Section 7(a) .....	195,096	7,146,373
Section 502 companies .....	664	42,000
Section 504 companies .....	8,030	1,434,000
SBIC Program .....	18,389	115,000
SSBIC .....	4,453	15,000
Participating securities .....	20,457	227,553
Microloan .....	1,216	10,000
Section 503 prepayments .....	30,000	30,000
Total, new business loan guarantees ..	278,305	9,019,926
Section 7(a) budgeted carryover .....	138,450	1,450,000

#### GUARANTEED LOAN PROGRAMS—Continued

(In thousands of dollars)

	Conference agreement	
	Subsidy ap- propriations	Credit/Pro- gram level financed
Total .....	316,755	10,469,926

<sup>1</sup> Represents carryover projected in the President's Budget. The actual carryover is currently estimated to be \$27.3 million in subsidy costs and \$1 billion in program level.

The conference agreement provides a total of \$27,350,000 for the following activities:

\$750,000 for a grant to the North Carolina Biotechnology Center for a demonstration project that would integrate small business formation and preparation of a biotechnology workforce;

\$500,000 for continuation of a grant to the Van Emmons Population Marketing Analysis Center, Towanda, Pennsylvania, for an integrated small business data base to assist Appalachian Region small businesses;

\$1,000,000 for continuation of a grant to the City of Prestonsburg, Kentucky, for small business development;

\$375,000 for a grant to the State of Nebraska for establishing the Nebraska Micro Enterprise Initiative to include a clearinghouse and training and counseling programs;

\$3,000,000 for continuation of a grant to the National Center for Genome Resources in New Mexico to provide consulting assistance, information and related services to small businesses and for related purposes;

\$1,000,000 for continuation of a grant for the Genesis Small Business Incubator Facility, Fayetteville, Arkansas;

\$500,000 for a grant to an entity in Bozeman, Montana, to establish a small business assistance center to assist small businesses to qualify and participate in the Small Business Innovation Research (SBIR) program;

\$1,000,000 for continuation of a grant to the Center for Entrepreneurial Opportunity in Greensburg, Pennsylvania, to provide for a small business consulting and assistance center for entrepreneurial opportunities;

\$1,500,000 for a grant to a consortium in Buffalo, New York, to provide assistance to small businesses for technical improvement of commercial industrial products;

\$250,000 for a grant to the Western Massachusetts Enterprise Fund to expand micro-lending to entrepreneurs and small businesses in Central Massachusetts;

\$400,000 for continuation of a grant to the State of Ohio, Department of Development, International Trade Division to assist small businesses expand their export opportunities;

\$1,000,000 for continuation of a grant to assist the development of a Small Business Consulting, Information and Assistance Center in Hazard, Kentucky;

\$2,000,000 for continuation of a grant to the WVHTC Foundation, of which half is for build-out, equipment, and operations costs for a small business incubator facility and half is for an outreach grant program to assist small business economic development;

\$125,000 for a grant to an organization in Bowling Green, Kentucky, for a small business pilot program;

\$2,500,000 for a grant to the City of Carbondale, Pennsylvania, to establish a small business incubator facility;

\$500,000 for continuation of a grant to the New York City Public Library for construction and related costs for the Industry and Business Library;

\$200,000 for continuation of a grant to assist the Small Business Institute program of the Small Business Administration to establish and operate a National Data Center

Small Business Institute program in Conway, Arkansas;

\$4,000,000 for a grant to the Unified Technology Center in Cleveland, Ohio, to assist small businesses in the design of high-quality, environmentally sound processes;

\$1,250,000 for a grant to the City of Whitesburg, Kentucky, to develop and equip a facility to promote the development of small businesses and enhance economic development opportunities;

\$2,500,000 for a grant to the City of Wheeling, West Virginia for the Oglebay Small Business Rural Development Center;

\$1,000,000 for a grant for a Small Business Development Institute in North Philadelphia, Pennsylvania, for a facility to assist and train minority small businesses;

\$250,000 for continuation of a grant to the City of Espanola, New Mexico, for the development of the Espanola Plaza to assist small businesses and enhance economic development;

\$1,000,000 for a grant to North Central West Virginia Community Action to establish a small business rural enterprise training institute and micro-loan demonstration program;

\$500,000 for a grant to the Mississippi Delta Small Business Technology Project in Little Rock, Arkansas, for technology education for small business owners and employees; and

\$250,000 for a grant to establish a small business incubator facility in West Charlotte, North Carolina.

Amendment No. 112: Deletes the language proposed by the Senate which would have earmarked \$1,216,000 for the Micro-loan Guarantee Program and also makes certain technical changes in the remainder of the paragraph under the heading "Business Loans Program Account". The earmark for the Micro-loan Guarantee Program is addressed in Amendment No. 111.

The House bill contained no provision on this matter.

#### DISASTER LOANS PROGRAM ACCOUNT

Amendment No. 113: Adds the word "further" as proposed by the Senate. This is a technical change.

#### ADMINISTRATIVE PROVISIONS—SMALL BUSINESS ADMINISTRATION

##### Section 401

Amendment No. 114: Deletes a provision proposed by the House and stricken by the Senate which would have established certain prerequisites to funding the Small Business Investment Company Participating Securities program. SBA has satisfied these requirements by publishing final regulations governing this program.

##### Section 402(A)

Amendment No. 115: Inserts a provision proposed by the Senate which permits the SBA Administrator to propose up to five percent of any appropriation made available to SBA in the current year to be transferred between appropriations, but provides that no appropriation shall be increased by more than 10 percent by any such transfer. In addition, such transfers would be subject to the reprogramming guidelines in section 605 of this Act. The conference agreement also makes a technical change in the section number.

The House bill contained no provision on this matter.

#### LEGAL SERVICES CORPORATION PAYMENT TO THE LEGAL SERVICES CORPORATION

Amendment No. 116: Appropriates \$415,000,000 with certain earmarks of these

funds as proposed by the House instead of \$400,000,000 with certain earmarks as proposed by the Senate.

#### ADMINISTRATIVE PROVISION—LEGAL SERVICES CORPORATION

Amendment No. 117: Restores language proposed by the House and stricken by the Senate which provides that 50 percent of new basic field funds shall be awarded to grantees and contractors funded at the lowest levels per-poor-person so as to fund the largest number of programs possible at an equal per-poor-person amount. The provision also provides that 50 percent of new basic field funds shall be allocated to grantees and contractors in an amount that is proportionate to the number of poor people in such grantee or contractor service area as enumerated in the 1990 Census.

#### TITLE V—DEPARTMENT OF STATE AND RELATED AGENCIES DEPARTMENT OF STATE

##### ADMINISTRATION OF FOREIGN AFFAIRS DIPLOMATIC AND CONSULAR PROGRAMS

Amendment No. 118: Appropriates \$1,731,416,000 instead of \$1,700,200,000 as proposed by the House and \$1,780,439,000 as proposed by the Senate.

The conference agreement reflects an increase of \$14,820,000 above the House allowance for adjustments to base, \$14,000,000 in program increases to modernize the Department's information systems, \$1,396,000 for operational costs related to reimbursement to the FBI for fingerprint checks on immigrant applicants at 10 overseas posts and \$1,000,000 for international research activities.

The conferees are aware that following filing of the report accompanying the Senate version of H.R. 4603, the Department of Treasury informed the Department of State that it did not intend to pay its current bills under the Foreign Affairs Administrative System for Treasury personnel located overseas. The conferees, therefore, expect the Department of State will take no action to allow any increase in the number of Department of Treasury permanently assigned personnel overseas, including the Secret Service, until all interagency payments by the Treasury Department are paid in full. The conferees are further aware that United States ambassadors in several overseas posts have suggested that Treasury personnel, such as IRS employees, be relocated to the United States. The conferees strongly recommend that the Secretary of State support such efforts by Chiefs of Mission to reduce U.S. personnel overseas.

The conferees are agreed that the initiative of the Department of State's Bureau of Consular Affairs to modernize non-immigrant visa processing and automate the consular visa system is a priority and that funding for the new fingerprint requirement under Amendment No. 130 of this conference agreement should not impede the plan to upgrade the visa issuing capabilities of the Department of State at all overseas posts. Therefore, the conferees are agreed that funding for the new fingerprint requirement should be allocated from the increased amounts provided for this purpose under the conference agreement and from increased immigrant visa fee receipts in the 10 countries subject to the new fingerprint check requirement. The conferees are also agreed that none of the funds provided under this conference agreement for the modernization program should be used to fund the costs associated with the new fingerprint requirement.

The conference agreement includes \$500,000 for continuation of a grant to the National Law Center for Inter-American Free Trade.

The conferees agree that the Department of State needs to pursue ways of increasing efficiency and conserving scarce financial resources. As one way to achieve such savings, the conferees urge the Department to study the feasibility of extending to other areas the "Vienna model" consolidating in one embassy certain administrative and support functions that can be performed on a more efficient shared basis in support of nearby stations or missions. The Department has established a joint administrative operation in Vienna that serves the various U.S. Missions headquartered at that location. The consolidated administrative support center in Brussels, Belgium is another successful example of allocating support services for United States missions abroad. Therefore, the conferees expect the Department to analyze the best means to replicating these models on a regional basis and submit a proposal to the House and Senate Appropriations Committees by October 1, 1994, providing for a pilot project for such a consolidated administrative operation for other areas during fiscal year 1995.

The conference agreement includes \$300,000 for a grant to establish the International Center for the Study of Canadian-American Trade. The Center is to be established pursuant to an agreement between an institution or consortium of institutions of post-secondary education in the State of Michigan and a similar institution or consortium of institutions in Canada. The funds recommended will be supplemented in future years by private sector contributions and by contributions from the participating institution or institutions and will provide funding for research and education projects related to the promotion of trade between the United States and Canada with a special emphasis on trade in the Great Lakes Region. Projects and programs will be designed to enhance cooperation between the United States and Canada in implementing the U.S.-Canada Free Trade Agreement and the North American Free Trade Agreement as they relate to the environment, labor markets, and labor standards, in the industrial and agricultural bases of the region.

The conferees are aware of efforts by the Cascadia Transportation/Trade Task Force to improve cross-border passage of people, goods and capital through enhanced public/private technology and border operational efficiencies. The conferees support these efforts and encourage the Department to continue its efforts in cooperation with the Department of Transportation authorities to implement the goals of this bi-national strategic alliance.

Because of the increasingly central role that the access to information is playing in the overall economic and political development of nations, the conferees expect that the Bureau of Economic and Business Affairs should receive, in accordance with the Administration's budget requests, \$250,000 for each of fiscal years 1994 and 1995 from the Diplomatic and Consular Programs account to continue to support activities that promote international communications and information development (including support for related international institutional development in communications). Funds for this purpose have been provided for the last six years, but were not explicitly mentioned in either the Foreign Relations Authorizations Act, Fiscal Years 1994 and 1995 (P.L. 103-236) or the Department of State and Related

Agencies Appropriations Act, 1994 (P.L. 103-121). The conferees wish to clarify that funds for this purpose may therefore be provided for fiscal years 1994 and 1995.

Amendment No. 119: Inserts language which provides that all receipts received from a new charge from expedited passport processing shall be deposited in this account as an offsetting collection and shall be available until expended. The conference agreement also includes new language not in either the House or Senate bill which provides that all receipts received from an increase in the charge for immigrant visas in effect on September 30, 1994, shall be deposited as an offsetting collection to this account. In addition, the conference agreement includes language which establishes limitations of \$4,000,000 for grants, contracts, and other activities to conduct research and promote international cooperation on environmental and other scientific issues; \$600,000 to carry out the activities of the Commission on Protecting and Reducing Government Secrecy; and \$300,000 for the Office of Cambodian Genocide Investigations. The conference agreement also provides that none of the funds appropriated for the Diplomatic and Consular Programs account shall be available to carry out the provisions of section 101(b)(2)(E) of Public Law 103-236. Finally, the conference agreement includes new language not in either the House or the Senate bill which earmarks \$28,356,000 for the Diplomatic Telecommunications Service for operation of existing base services and \$15,000,000 for enhancement of the DTS and withholds these latter funds from obligation until the Secretary of State and the Director of the Diplomatic Telecommunications Service Program Office submit a DTS planning report required by section 514 of this Act.

The House had proposed a new fee provision for expedited passport service under certain conditions and would have limited expenditures from such fees to \$18,000,000 during fiscal year 1995. In addition, the House had proposed limitations of \$3,000,000 for grants, contracts, and other international research activities, \$500,000 to carry out the activities of the Commission on Protecting and Reducing Government Secrecy, and \$300,000 for recruitment of Hispanic American applicants for the foreign service, and \$300,000 to carry out the activities of the Office of Cambodian Genocide Investigations. The House also had proposed the limitation to carry out the provisions of section 101(b)(2)(E) of Public Law 103-236 contained in the conference agreement.

The Senate had proposed the language contained in the conference agreement which provided that all receipts received from a new charge from expedited passport processing should be deposited in the Diplomatic and Consular Programs account as an offsetting collection. In addition, the Senate had proposed that of the total amount appropriated for the Diplomatic and Consular Programs account not less than \$5,000,000 would be available only for payments to the Federal Bureau of Investigation pursuant to section 505 of this Act.

Amendment No. 120: Inserts the words, "Provided" as proposed by the Senate instead of "Provided further" as proposed by the House.

#### SALARIES AND EXPENSES

Amendment No. 121: Appropriates \$385,000,000 as proposed by the House instead of \$391,373,000 as proposed by the Senate.

#### ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

Amendment No. 122: Appropriates \$421,760,000 as proposed by the Senate instead

of \$396,000,000 as proposed by the House. The conference agreement includes \$49,239,000 as requested to construct a new U.S. embassy in Ottawa. The conference agreement also includes up to \$117,864,000 for facility maintenance and rehabilitation. The conferees are concerned that not enough resources are being invested in repair and maintenance of existing facilities by the State Department. The Department's backlog of facility maintenance and repair is currently estimated in excess of \$413,000,000. The conferees expect the Department to develop a list of priorities along with a funding plan for these projects and submit such a list to the House and Senate Appropriations Committees no later than December 1, 1994.

The conferees have reviewed and approved the Department's plan for proceeding with a new chancery building in Moscow. The conferees expect the Department to avoid further delay on this project and to proceed with implementing its new plan for this project expeditiously. The conferees expect the Department to keep the House and Senate Appropriations Committees fully apprised of the cost of this project.

Amendment No. 123: Inserts a limitation which permits not to exceed \$117,864,000 to be available for Maintenance of Buildings and Facility Rehabilitation instead of an earmark of \$92,864,000 for this purpose as proposed by the House and \$117,864,000 as proposed by the Senate.

#### EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

Amendment No. 124: Restores language proposed by the House and stricken by the Senate which permits up to \$1,000,000 of the appropriation for Emergencies in the Diplomatic and Consular Service to be transferred to and merged with the Repatriation Loans Program account subject to the same terms and conditions.

#### INTERNATIONAL ORGANIZATIONS AND CONFERENCES

##### CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Amendment No. 125: Appropriates \$877,222,000, of which not to exceed \$4,000,000 is available to pay arrearages, the payment of which shall be directed towards special activities that are mutually agreed upon by the United States and the respective international organization. The House had proposed a total of \$913,941,000 of which not to exceed \$40,719,000 was available to pay arrearages. The Senate had proposed \$873,222,000 with no funds available to pay arrearages.

The amount in the conference agreement includes \$1,600,000 for payment of the United States assessment for the Nonproliferation Treaty Extension Conference to be held in fiscal year 1995. The President's budget included this item in the request for the Arms Control and Disarmament Agency. The conferees expect that sufficient funds will become available to pay this assessment through a combination of gains from currency fluctuations and changes from the estimates and actual bills received for the assessments funded in this account.

Amendment No. 126: Inserts a provision which requires that the Appropriations Committees and the Foreign Relations and Foreign Affairs Committees be notified of the steps taken and anticipated to be taken to meet the certification requirements for establishment of the United Nations Inspector General under section 401(b) of Public Law 103-236. The Senate had proposed similar language which required that these Committees

be notified only of the steps taken to meet the requirements for certification. The House bill contained no provision on this matter.

#### CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

Amendment No. 127: Appropriates \$533,304,000 with limitations of \$288,000,000 for arrearages accumulated in fiscal year 1994 and \$23,092,000 for other outstanding arrearages. In addition, the conference agreement includes a provision which makes funds available for peacekeeping expenses only upon a certification by the Secretary of State to the appropriate congressional committees that American manufacturers and suppliers are being given opportunities to provide equipment, services, and material for United Nations peacekeeping activities equal to those being given to foreign manufacturers and suppliers.

The House bill had proposed the appropriation and limitations on the use of funds contained in the conference agreement. The Senate bill had proposed an appropriation of \$500,000,000 with a limitation of \$277,788,000 to pay arrearages and the provision contained in the conference agreement concerning the certification requirement that American manufacturers and suppliers are being given equal opportunities to provide equipment, services, and material for United Nations peacekeeping activities.

#### INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO SALARIES AND EXPENSES

Amendment No. 128: Appropriates \$12,858,000 as proposed by the Senate instead of \$13,947,000 as proposed by the House.

#### CONSTRUCTION

Amendment No. 129: Appropriates \$6,644,000 for the Construction account of the International Boundary and Water Commission, United States and Mexico and appropriates \$10,000,000 for payment to the Asia Foundation. The House had proposed \$6,644,000 for the Construction account, and the Senate had proposed \$7,733,000 for this item. Both the House and the Senate bills proposed \$15,000,000 for the Asia Foundation. The conference agreement reduces funding for the Asia Foundation in order to fund other priority international programs.

The conference agreement for the Construction item reflects the sum of \$1,000,000 for reimbursement to the City of San Diego for treatment of Tijuana sewage, to be derived from the carryover balances totaling \$1,661,000. The amount of the carryover and the \$1,000,000 reimbursement amount reflects reduced sewage flows currently being treated and projected for fiscal year 1995 at the San Diego Sewage Treatment Plant.

The conference agreement for Construction also includes the budget request of \$2,000,000 to continue construction on a project to stabilize the Rio Grande channel between American Dam in El Paso, Texas, and the Caballo Dam, New Mexico. This amount together with \$100,000 in carryover funds will provide a total of \$2,100,000 for this project in fiscal year 1995.

#### GENERAL PROVISIONS—DEPARTMENT OF STATE

##### Section 505

Amendment No. 130: Inserts a general provision as proposed by the Senate, which amends the fiscal year 1994-1995 Foreign Relations Authorization Act to require the Department of State to conduct full fingerprint checks on immigrant visa applicants over 16 years of age in the 10 countries with the

highest volume of immigrant visa issuance. The provision also requires that this program begin not later than March 31, 1995, and that the Department pay the FBI the required fee for each fingerprint card. The House bill contained no provision on this matter.

#### Section 506

Amendment No. 131: Inserts a general provision which amends the Immigration and Nationality Act to permit aliens to adjust their status in the United States upon payment of certain fees. The provision also establishes requirements for aliens who decide to adjust their status outside of the United States at a United States consulate. The provision also exempts spouses and children of aliens from these new requirements. In addition, the provision requires the Attorney General to deposit the sums collected pursuant to this provision in the Immigration and Naturalization Service's Immigration Examinations Fee account. The provision also requires INS to conduct full fingerprint identification checks through the FBI for all individuals over 16 years of age who are adjusting their immigration status in the U.S. pursuant to this provision. Finally, the provision includes language which sunsets the provision at the end of fiscal year 1997.

The Senate had proposed the provision contained in the conference agreement as a permanent change in law without any sunset provision. The House bill contained no provision on this matter.

The conferees are agreed that not later than December 31, 1996, the Secretary of State and the Attorney General should jointly submit to the House and Senate Appropriations Committees, the Committee on Foreign Affairs and the Committee on the Judiciary of the House of Representatives, and the Committee on Foreign Relations and the Committee on the Judiciary of the Senate, a report detailing for fiscal years 1995 and 1996:

(a) the total number of applicants processed pursuant to this provision, broken down separately according to country, immigrant visa category and terms of entry into the U.S.;

(b) the totals of additional expenditures and staff deployments by the Immigration and Naturalization Service to process such applicants;

(c) the total amount of additional fees collected by the Immigration and Naturalization Service pursuant to the provision;

(d) the number of applicants exempted from supplemental fees under the provision, by category of exemption, and by country;

(e) an estimate of Department of State workload changes abroad resulting from implementation of this provision, by country;

(f) estimated savings to the Department of State by virtue of implementation of this provision, and the disposition of such savings;

(g) an analysis of the impact on immigration fraud, if any, as a result of this provision;

(h) the total amount of fees paid to the FBI for fingerprint checks pursuant to this provision; and

(i) an estimate of INS workload changes, including effects on processing times for naturalization and adjustment applications, resulting from implementation of this provision by district.

#### Section 507

Amendment No. 132: Deletes a general provision which would have required the Director of the United States Information Agency

to submit a report to the Appropriations Committees concerning the Au Pair program.

The conferees note the important role of American au pair agencies in operating exchange programs for foreign au pairs, some of whom might otherwise never have a chance to visit the United States. The au pairs make a valuable contribution in the child care they provide to American families, and they return to their home countries with a better understanding of American values and culture. The conferees are informed that the experience of the overwhelming majority of au pairs and their host families is positive. However, the conferees are concerned about reports that some au pairs have engaged in inappropriate, and in some instances unlawful behavior involving the American children in their care. The conferees are concerned that the procedures for screening and training prospective au pairs may be inadequate. In order to determine whether such procedures are adequate, the conferees request the Director of the United States Information Agency to submit a report to the House and Senate Committees on Appropriations and the House Foreign Affairs Committee and the Senate Foreign Relations Committee, within 60 days of enactment of this Act, containing the following:

(1) The number of persons accepted and the number of persons rejected each year for admission to the United States under a J Visa as part of the au pair program;

(2) The number of American host families that reported being satisfied with their au pair, and the number that reported being unsatisfied, for the most recent year for which such information is available and the reasons therefore;

(3) The guidelines and/or a summary of the procedures used by each au pair agency regarding screening of prospective au pairs for relevant information, such as personal character and employment references, and information about any prior unlawful activity involving children;

(4) The contractual relationship between au pair agencies and individuals located overseas who select and screen prospective au pairs, and the standards and procedures which apply to these individuals;

(5) The guidelines and/or a summary of the procedures used by each au pair agency regarding training of au pairs in child care and in relevant United States laws;

(6) The procedures used by each au pair agency and the United States Information Agency regarding au pairs who violate local, State or Federal laws;

(7) The mechanisms available to the United States Information Agency and each au pair agency to ensure maximum compliance with au pair agency guidelines and procedures;

(8) The procedures used by each au pair agency to deal with au pairs who are determined by their host family to be unsuitable; and

(9) A description of any efforts by the United States Information Agency or each au pair agency to strengthen or otherwise improve the above-mentioned guidelines, standards and procedures.

The House bill contained no provision on this matter.

#### Section 508

Amendment No. 133: Deletes a provision proposed by the Senate which would have permitted up to \$100,000,000 of the funds appropriated in title V for the Department of State, the U.S. Information Agency and other international agencies and in chapter II of title VII to be transferred, at the Presi-

dent's discretion and subject to the notification procedures of the Appropriations Committees to support humanitarian relief for Rwanda.

The House bill contained no provision on this matter.

The conferees note that humanitarian assistance to Rwanda was included in the conference report on the Fiscal Year 1995 Foreign Operations, Export Financing and Related Agencies Appropriations Act.

#### Section 509

Amendment No. 134: Deletes a provision proposed by the Senate which would have required that not later than March 1, 1995, the Secretary of State submit to appropriate Congressional committees, a report on the technical cooperation activities of the International Atomic Energy Agency with countries on the list of terrorist countries, as determined under section 6(j) of the Export Administration Act of 1979. The House bill contained no provision on this matter.

The conferees expect that the Secretary of State will review this entire matter and submit a report to the appropriate Congressional committees on the technical cooperation program of the International Atomic Energy Agency.

#### Section 510

Amendment No. 135: Deletes a sense of the Congress provision proposed by the Senate that U.S. assessed contributions for UN peacekeeping operations could consist of contributions of excess defense articles or could be in the form of payments made directly to U.S. companies providing goods and services in support of such peacekeeping activities. The House bill included no provision on this matter.

#### Section 511

Amendment No. 136: Deletes a general provision proposed by the Senate which would have amended the Taiwan Relations Act to provide for cabinet-level contacts with Taiwan through exchanges of visits between cabinet-level officials of Taiwan and the United States. The House bill contained no provision on this matter.

#### Section 512

Amendment No. 137: Deletes a provision proposed by the Senate which would have amended the Immigration and Nationality Act to exclude from the United States any individual who is a member of an organization involved in terrorist activity. The House bill contained no provision on this matter.

#### Section 513

Amendment No. 138: Deletes a provision proposed by the Senate which would have prohibited the issuance of a visa to any alien who illegally confiscated the property of a United States citizen or converted for personal gain such property otherwise illegally confiscated from a United States citizen. The House bill had no provision on this matter.

#### Section 514

Amendment No. 139: Inserts new language establishing certain requirements for the Department of State's Diplomatic Telecommunications Service including financial management, the DTS Policy Board, a DTS Consolidation Pilot Program and a DTS Planning Report. The Senate had proposed a provision stating certain findings and expressing the sense of the Senate condemning the Government of Cuba for the sinking of the vessel "13th of March". The House bill contained no provision on this matter.

The conferees recognize the difficulties inherent in creating a viable, integrated, improved DTS network from a variety of previously separate networks, circuits, and systems controlled by various Federal agencies. The conferees note the progress that has been made, including savings realized by renegotiation of some circuit leases; establishment of a DTS training program; and installation and upgrade of transmission facilities in some embassies.

The conferees are deeply concerned, however, about the continued slow rate of progress made by the DTS Program Office (DTS-PO) in accomplishing the goals established for the DTS by Public Law 102-40. Very little progress has been made in the last two years toward true consolidation of DTS networks and operations, and some Congressional direction regarding the DTS has been ignored. Specifically, Conference Reports 102-918 and 103-293 directed that an amended DTS Five Year Strategic Plan be submitted to address specific shortfalls. The plan eventually submitted by the DTS Policy Board did not contain significant changes from the previous plan, despite clear Congressional direction to do so. Therefore, the following provisions have been included in the conference agreement to refocus the activities of the DTS Program Office, assure adequate funding, and provide balanced policy oversight, in order to achieve the efficiencies and economies envisioned by Congress based on the integration of the DTS networks and the provision of enhanced capabilities to serve all the foreign affairs agencies.

The stated intent of Congress was for the DTS-PO to have total control over the DTS baseline operating funds transferred from the Department of State (DOS), as well as the additional funds authorized by Congress for DTS enhancement, and these funds were to be used solely for DTS operations and enhancement. However, despite clear Congressional direction to the contrary, all DTS-PO financial transactions continue to be processed through Information Management (IM) and are subject to change by DOS. Further, efforts have been made by the DOS to use DTS funds for salaries of DOS employees and for other DOS facility operating expenses already funded by Congress. Commencing in FY 1995, all funds designated for the operation and enhancement of the DTS are to be passed directly to DTS-PO immediately upon appropriation via a separate allotment and unique DOS function code. Further, the DTS-PO Financial Management Officer is to be provided direct access into the DOS financial management system to enable that office to monitor and control the obligation and expenditure of these funds independently.

The DTS Policy Board now consists only of officials from DTS-PO and the two agencies whose assets comprised the bulk of the previous networks. A secondary DTS Management Council was also created, comprised of officials from the same organizations. Some of the reluctance to take action to bring about significant change in the configuration and management of the DTS could be attributed to parochial oversight by these officials. Within 60 days of enactment of the appropriation, DOS and DTS-PO officials are directed to restructure the DTS Policy Board to provide for permanent representation by: (a) the senior Information Management official from each agency currently serving on the Board; (b) the Director of the DTS-PO; (c) a senior career Information Management official from each of the De-

partment of Commerce, the U.S. Information Agency, and the Defense Intelligence Agency; (d) a senior Information Management Official from each of two other Federal agencies served by the DTS, each of whom shall be appointed on a rotating basis by the Secretary of State and the Director of the DTS-PO for a two-year term.

The conferees are agreed that a pilot program of total DTS consolidation is to be completed at not less than five medium or large Embassies before the end of fiscal year 1995. At each of these Embassies, DTS-PO will provide a full range of integrated information services to include message, data, and voice, without additional charge. A Combined Transmission Facility is to be created and jointly operated, with open access to all unclassified (black) transmission equipment. A black packet switch system will be installed and will serve all foreign affairs agencies associated with the Embassy. Separate classified (red) transmission systems, such as MERCURY, will be terminated, and all other foreign affairs agency systems will achieve international connectivity solely through the DTS. DTS-PO will submit a report to the House and Senate Appropriations Committees not later than January 15, 1996 on the pilot program to include a cost benefit analysis for each Embassy.

Obligation authority for the \$15 million in the FY 1995 appropriation for the enhancement of the DTS is withheld, pending approval of: (1) a detailed plan to carry out the pilot program discussed above, including an estimate of funds required for this purpose; and (2) a comprehensive DTS Strategic Plan which contains viable detailed plans and schedules for: (a) an overall DTS network configuration and security strategy; (b) transition of the existing dedicated circuits and red networks to the black packet switch network; (c) the provision of a basic level of voice service for all DTS customers; (d) funding of new initiatives and replacement of current systems; (e) combining existing DTS Network Control Centers, relay facilities, and overseas operations; and (f) reducing DTS-PO's heavy reliance on full-time contractor services.

#### RELATED AGENCIES

##### ARMS CONTROL AND DISARMAMENT AGENCY

**ARMS CONTROL AND DISARMAMENT ACTIVITIES**  
Amendment No. 140: Insert language which earmarks not less than \$9,500,000 of the appropriation for the Arms Control and Disarmament Agency only for activities related to the implementation of the Chemical Weapons Convention. The Senate amendment would have earmarked no less than \$9,500,000 only for payment of United States contributions to the Preparatory Commission for the Organization on the Prohibition of Chemical Weapons. The House bill contained no provision on this matter.

The activities covered by the conference agreement include payment of the United States contributions to the Preparatory Commission for the Organization on the Prohibition of Chemical Weapons, the Organization on the Prohibition of Chemical Weapons, Training, the Office of National Assessments, and other activities as they relate to the Chemical Weapons Convention.

#### INTERNATIONAL TRADE COMMISSION

##### SALARIES AND EXPENSES

Amendment No. 141: Appropriations \$42,500,000 for the International Trade Commission instead of \$43,500,000 as proposed by the Senate and \$44,200,000 as proposed by the House. The conferees agree that any program reductions should be taken from the amounts requested for section 332 studies.

#### JAPAN-UNITED STATES FRIENDSHIP COMMISSION

**JAPAN-UNITED STATES FRIENDSHIP TRUST FUND**  
Amendment No. 142: Appropriates \$1,247,000 as proposed by the House instead of \$1,000,000 as proposed by the Senate.

#### UNITED STATES INFORMATION AGENCY SALARIES AND EXPENSES

Amendment No. 143: Appropriates \$476,362,000 as proposed by the House instead of \$480,362,000 as proposed by the Senate. The conference agreement does not include any funds to establish a new USIA post in Beirut, Lebanon. In addition, the conferees are agreed that the Agency should absorb within base amounts provided, any requirement for additional positions and resources for new activities in Vietnam.

#### EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

Amendment No. 144: Appropriates \$238,279,000 instead of \$237,812,000 as proposed by the House and \$242,388,000 as proposed by the Senate.

The following table shows the amounts in the conference agreement for the various programs funded in this account:

#### Educational and Cultural Exchange Programs Conference

(In thousands of dollars)

Fulbright & other academic programs .....	\$134,000
International visitors .....	51,075
Pepper scholarship .....	1,000
Muskie Scholarship Program .....	7,000
Humphrey fellowships .....	7,977
Congress-Bundestag Program .....	2,500
Inst. representative government .....	550
NIS & Eastern Europe Training Program .....	4,000
Arts America Program .....	1,577
Citizen Exchange Program .....	10,000
American Studies Program .....	1,000
Exchange support .....	14,500
Mike Mansfield fellowship .....	500
South Pacific exchanges .....	900
United States-Mexico Conflict Resolution Center .....	500
Disability exchange clearing-house .....	500
Center for Inter-American Free Trade .....	(1)
Paralympiad .....	1,500
Financing .....	(800)
<b>Total .....</b>	<b>238,279</b>

<sup>1</sup> Funded within Department of State "Diplomatic and Consular Programs."

The conference agreement provides \$1,000,000 for the Pepper Scholarship program. Of this amount, the conferees agree that \$300,000 is to be allocated as specified in the House Committee Report (H. Rept. 103-552).

The conferees note the role that private institutions are playing in assisting companies in Eastern Europe and the Newly Independent States of the former Soviet Union to meet the challenges associated with operating in more market-oriented economies. In particular, some programs such as those operated by the William Davidson Institute at the University of Michigan School of Business Administration, are based on multi-year partnerships involving faculty and masters-level students, top managers from U.S. industries and their counterparts from industries in transitional economies, and provide tangible benefits to all participants. The conferees commend such programs to the United States Information Agency as instruments of U.S. policy and urge USIA to consider applications for appropriate funding if such applications are merited.

Amendment No. 145: Designates \$500,000 for the American Studies Collections program as proposed by the House and stricken by the Senate and deletes the earmarks of \$600,000 for the Institute for Representative Government and \$500,000 for the Mike Mansfield Fellowship Program as proposed by the Senate. Although the conference agreement does not earmark funds in the bill, the agreement includes \$500,000 for the Mike Mansfield Fellowship program and \$550,000 for the Institute for Representative Government in Amendment No. 144.

#### EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

Amendment No. 146: Appropriates \$2,500,000 as proposed by the Senate instead of \$2,100,000 as proposed by the House.

The conferees note that the conference agreement provides the remaining amount authorized for appropriation to the Eisenhower Exchange Fellowship Trust Fund as authorized by Public Law 101-454. The conferees also note that the Eisenhower Exchange Fellowships, Incorporated has raised \$2,900,000 in private contributions which is more than the required matching amount under the law. The conferees are agreed that Federal financial support for this program is completed since the full authorization has been funded and this action represents the final appropriation.

#### INTERNATIONAL BROADCASTING OPERATIONS

Amendment No. 147: Appropriates \$468,796,000 instead of \$476,796,000 as proposed by the House and \$475,478,000 as proposed by the Senate. The conference agreement also earmarks \$229,735,000 of the total amount in the conference agreement for transfer to the Board for International Broadcasting. Both the House and Senate bills had earmarked \$239,735,000 for transfer to the Board for International Broadcasting.

The conference agreement includes a total of \$5,000,000 to continue and enhance the Voice of America's China Focus Program and other international broadcasting operations to Asia. The conferees are agreed that these existing United States Government international broadcasting operations are cost effective and should be maintained and increased, pending the submission of the report and plan for Radio Free Asia required by Public Law 103-236 and approval by the appropriate congressional committees.

Amendment No. 148: Inserts a provision proposed by the Senate which provides that funds made available for the expenses of the Board for International Broadcasting (BIB) in the International Broadcasting Operations account shall be made available for the new Broadcasting Board of Governors (BBG) established in the United States International Broadcasting Act of 1994, once the BIB goes out of existence. The House bill contained no provision on this matter.

Amendment No. 149: Deletes a provision proposed by the House and stricken by the Senate which would have prohibited funds provided for the Board for International Broadcasting within the International Broadcasting Operations account from being used to relocate the offices or operations of Radio Free Europe/Radio Liberty from Munich, Germany, to Prague, Czech Republic.

Amendment No. 150: Inserts provisions which:

(1) Require that funds made available under this Act to relocate the offices or operations of Radio Free Europe/Radio Liberty from Munich to Prague shall be available only from funds provided for the Board for International Broadcasting in the International Broadcasting Operations account;

(2) Prohibit funds provided by this Act for the United States Information Agency, except for amounts made available for transfer to the Board for International Broadcasting, from being available for any excess cost to implement the plan required by section 310 of Public Law 103-236;

(3) Prohibit funds provided in this Act from being used for retroactive operating costs, including rent on facilities, in Prague or for payment of operation costs prior to the signing of a lease by RFE/RL, Incorporated; and

(4) Provide that not less than the amount appropriated by this Act for the Office of Inspector General, Board for International Broadcasting (\$416,000) shall be available for semi-annual reviews of RFE/RL, Incorporated and that on-site review is maintained at the current level throughout the duration of the relocation transition.

The Senate amendment included the provision of the conference agreement concerning the relocation of the offices or operations of Radio Free Europe/Radio Liberty and the provision concerning the Office of Inspector General, Board for International Broadcasting.

The House bill contained no provision on this matter.

While the conferees support the decision to move Radio Free Europe/Radio Liberty from Munich to Prague, the conferees are extremely concerned about the preliminary cost estimates for the move and the ongoing operations of the Radios. The conferees are absolutely committed to supporting the phase-down of Radio Free Europe/Radio Liberty as proposed by the President and in limiting the cost of the move to Prague. The conferees agree that the relocation of the Radios and their ongoing operations must be accommodated within the authorized statutory caps for the Board for International Broadcasting for fiscal years 1995 and 1996, as contained in the foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236). In addition, the conferees are agreed that the plan for implementing the move and relocating the Radios, that the Administration is required to submit to Congress, should not permit the Radios to exceed these funding caps or to make any commitments about future operations or employee benefits that create liabilities which would make it difficult to achieve the goal of privatization as expressed by Congress in Public Law 103-236.

The conferees are concerned about the lack of cooperation of the Directors of Radio Free Europe and Radio Liberty during the course of a recent review by the Office of Inspector General of the Board for International Broadcasting about allegations concerning manipulation of news and other programming items. The Chairman of the Board for International Broadcasting requested the Inspector General review these matters in accordance with the Inspector General Act and the Board for International Broadcasting Act. The conferees expect full cooperation of all Radio Free Europe and Radio Liberty employees with the Office of Inspector General, the General Accounting Office and the oversight investigations of the House and Senate Appropriations Committees. Such lack of cooperation in this instance generates less than full confidence in the judgment and ability of such employees who refuse to cooperate with an authorized review. The conferees expect the Office of Inspector General to carry out a thorough on-site review of all Radio Free Europe and Radio Liberty activities throughout the duration of the relocation transition in order to keep the costs of

the relocation to the absolute minimum. The conferees expect all Radio Free Europe and Radio Liberty employees to cooperate fully with the Office of Inspector General's on-site review and expect the Office to report any lack of cooperation or any refusal to provide documents and information concerning the transition to the Chairman of the Board for International Broadcasting and the House and Senate Appropriations Committees immediately upon the occurrence of such an incident.

#### RADIO CONSTRUCTION

Amendment No. 151: Appropriates \$85,314,000 as proposed by the House instead of \$93,165,000 as proposed by the Senate. The conference agreement includes \$5,000,000 to begin construction of a Pacific Island short-wave facility for the Voice of America and Radio Free Asia.

Amendment No. 152: Appropriates \$10,000,000 for Radio Free Asia and \$24,809,000 for Broadcasting to Cuba instead of \$10,000,000 for Radio Free Asia derived by transfer from the U.S. Information Agency's Radio Construction account and \$8,625,000 for Radio Broadcasting to Cuba, as proposed by the House and \$18,000,000 for Radio Free Asia and \$24,809,000 for Broadcasting to Cuba, as proposed by the Senate.

The conference agreement provides \$10,000,000 for expenses necessary to carry out the Radio Free Asia program as authorized by section 309 of the International Broadcasting Act of 1994. The conferees are agreed that none of these funds are available for obligation until the detailed plan for Radio Free Asia required under section 309 of Public Law 103-236 is submitted to Congress and a reprogramming request for the use of these funds is submitted to the House and Senate Committees on Appropriations in accordance with section 605 of the fiscal year 1995 Appropriations Act and is approved by the House and Senate Appropriations Committees. The conference agreement in Amendment No. 151 includes \$5,000,000 in the U.S. Information Agency's Radio Construction account for beginning the construction of a Pacific Island transmitter facility to serve both the Voice of America and Radio Free Asia.

The conference agreement provides \$24,809,000 for Radio and TV Marti under a combined Broadcasting to Cuba account as proposed by the Senate. This agreement provides the amount requested for this activity in the President's budget request within the International Broadcasting Operations account less \$4,000,000 in unobligated balances, and provides \$1,200,000 to convert TV Marti from VHF to UHF frequencies.

#### EAST-WEST CENTER

Amendment No. 153: Appropriates \$24,500,000 as proposed by the Senate instead of \$20,500,000 as proposed by the House.

#### NORTH/SOUTH CENTER

Amendment No. 154: Appropriates \$4,000,000 for the North/South Center instead of \$5,000,000 as proposed by the House and stricken by the Senate. It is the intent of the conferees that the Center will continue current levels of support for Latin American data bases at other universities.

#### NATIONAL ENDOWMENT FOR DEMOCRACY

Amendment No. 155: Appropriates \$34,000,000 instead of \$33,000,000 as proposed by the House and \$35,000,000 as proposed by the Senate.

The conferees note that the Endowment implemented procedures providing for a more competitive process in its grant-making procedures during fiscal year 1994. The

conferees endorse the Endowment's initiative and expect it to continue during fiscal year 1995.

#### TITLE VI—GENERAL PROVISIONS

##### Section 608

Amendment No. 156: Adds a provision as proposed by the Senate which prohibits funds in the bill from being used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission covering harassment based on religion. The provision would prevent the EEOC, during fiscal year 1995, from implementing guidelines covering religious harassment that were included in proposed guidelines published by the EEOC in October 1993.

The provision in the conference agreement is identical to section 801 of the House bill which was included in Amendment No. 163.

##### Section 609

Amendment No. 157: Deletes a provision proposed by the Senate which would have prohibited funds in the bill from being used to approve export license applications for satellite launch vehicles of the People's Republic of China or Russia unless certain conditions were satisfied and certifications were made. The House bill contained no provision on this matter.

##### Section 610

Amendment No. 158: Inserts a new provision as proposed by the Senate which prohibits funds in this or any other Act from being used to deny or refuse entry into the United States of any goods on the United States Munitions List manufactured or produced in the People's Republic of China for which authority had been granted to import such goods into the United States on or before May 26, 1994, and which were on or before that date, in a bonded warehouse or foreign trade zone, in port, or in transit. The conference agreement also makes a technical change in the section number. The House bill contained no provision on this matter.

##### Section 611

Amendment No. 159: Inserts a provision concerning the Equal Employment Opportunity Commission's proposed guidelines on religious harassment. The provision makes certain findings concerning religious liberty and the proposed guidelines. The provision also requires that for the purposes of issuing final regulations in connection with the proposed guidelines on religious harassment, the Commission shall insure that—

(1) The category of religion shall be withdrawn from the proposed guidelines at this time;

(2) Any new guidelines for the determination of religious harassment shall be drafted so as to make explicitly clear that symbols or expressions of a religious belief consistent with the first amendment and the Religious Freedom Restoration Act of 1993 are not to be restricted and do not constitute proof of harassment;

(3) The Commission shall hold public hearings on such new proposed guidelines; and

(4) The Commission shall receive additional public comment before issuing similar new regulations.

The provision also includes a technical change in the section number.

The language in the Senate amendment is the same as that included in the conference agreement except that the Senate provision required the category of religion to be withdrawn from the proposed guidelines permanently instead of at this time.

The House bill contained no provision on this matter.

#### TITLE VII—FISCAL YEAR 1994 SUPPLEMENTAL APPROPRIATIONS CHAPTER I

##### DEPARTMENT OF COMMERCE

##### ECONOMIC DEVELOPMENT ADMINISTRATION ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Amendment No. 160: Provides a fiscal year 1994 emergency supplemental appropriation for the Economic Development Administration of \$50,000,000 in program funds and \$5,000,000 for administrative costs, as proposed by the Senate. These funds would be used for grants to assist States and local communities in recovering from the flooding and damage caused by Tropical Storm Alberto and other disasters. The conference agreement also designates the entire amount as an emergency requirement by the Congress and requires the President to transmit an official budget request for a specific dollar amount, including designation of the amount as an emergency requirement. The House bill contained no provision on this matter.

The conferees are agreed that EDA should give special and expedited consideration to an application from the community of Lead, South Dakota for a grant from the funds provided for "other disasters" in this emergency supplemental appropriation to assist that community which has been severely impacted from a landslide that has forced the closure or relocation of businesses and threatens private residences.

The conferees are agreed that EDA should give special and expedited consideration to applications from communities in states which have been impacted by the devastating wild fires of the summer of 1994 for grants from the funds provided for "other disasters" in this emergency supplemental appropriation.

##### EMERGENCY SUPPLEMENTAL APPROPRIATIONS SMALL BUSINESS ADMINISTRATION DISASTER LOAN PROGRAM ACCOUNT

Amendment No. 161: Appropriates \$470,000,000 in fiscal year 1994 emergency supplemental funds as proposed by the Senate for the Small Business Administration's Disaster Loans Program account for the Northridge earthquake and flooding and other damage caused by Tropical Storm Alberto in Georgia, Alabama, and Florida, and other disasters (including the wild fires of the Summer of 1994 in the West), and associated administrative expenses. The House had proposed an emergency supplemental appropriation of \$400,000,000 only for the Northridge earthquake and other disasters and associated administrative expenses.

Amendment No. 162: Inserts Senate language which provides that the \$135,000,000 provided in the bill for administrative expenses of this disaster loan supplemental may be transferred to and merged with the Salaries and Expenses account and that up to \$2,500,000 of this sum may be provided to the Small Business Administration's Inspector General for audits and reviews for disaster loans and the disaster loan program. The House bill contained no provision on this matter.

##### TITLE VIII—VIOLENT CRIME CONTROL APPROPRIATIONS ACT, 1995

Amendment No. 163: Deletes language proposed by the House and stricken by the Senate concerning EEOC religious harassment guidelines. This issue is addressed in Amendment No. 159.

The conference agreement also adds a new title VIII, the Violent Crime Control Appropria-

tions Act, 1995. This title appropriates a total of \$2,345,000,000 for various Justice Department programs which would be authorized in the Violent Crime Control and Law Enforcement Act of 1994 (The Crime Bill). Each of the programs funded was included in either the House or Senate appropriations bill under Title I—Department of Justice. The budget authority and related outlays provided in this bill equal amounts allocated by the Appropriations Committees for the Department of Justice from the Violent Crime Reduction Trust Fund which is contained in the Crime Bill. A general provision has been included which makes the amounts appropriated in this title available from this Crime Trust Fund upon enactment of the Crime Bill. The following chart identifies the amount for each law enforcement program which would be authorized in the Crime Bill for fiscal year 1995, compared to the amount appropriated in this bill.

Program	Crime Bill—	
	Authorization	Appropriation
Community Policing .....	\$1,332,000,000	\$1,300,000,000
Upgrade Criminal History Records .....	100,000,000	100,000,000
Immigration Initiative:		
Controlling the Border .....	181,000,000	181,000,000
Expedited Deportation .....	55,000,000	54,000,000
Enhanced Asylum Processing .....	64,000,000	49,000,000
Byrne Formula Grants .....	580,000,000	450,000,000
State Criminal Alien Assistance .....	130,000,000	130,000,000
Violence Against Women .....	85,000,000	26,000,000
Drug Courts .....	100,000,000	29,000,000
State Correctional Grants .....	175,000,000	24,500,000
Ounce of Prevention Council .....	3,000,000	1,500,000
Total .....	2,816,000,000	2,345,000,000

##### OFFICE OF JUSTICE PROGRAMS

##### BYRNE FORMULA GRANTS

The conference agreement provides \$450,000,000 for the Edward Byrne State and Local Law Enforcement Assistance Formula Grant Program for fiscal year 1995, a 26 percent increase in funding over the previous year. The Senate proposed \$423,000,000 for this purpose. The House bill included funds for this purpose under the Expanded Byrne program.

##### BRADY ACT IMPLEMENTATION

The conference agreement provides \$100,000,000 for discretionary grants to States to upgrade criminal history records as proposed by the Senate. The House bill included funds for this purpose under the Expanded Byrne program. Included in this amount is \$6,000,000 for the cost to implement the FBI's National Instant Background Check System.

##### BOOT CAMP PRISONS

The conference agreement provides \$24,500,000 for discretionary grants to States to construct military style boot camp prisons as an alternative to traditional methods of incarceration. The Senate proposed \$175,000,000 for grants to construct State prisons. The House bill included no funds for this purpose. The conferees agree that grants provided to States under this account should be for construction-related expenses only, and not for operating expenses.

##### DRUG COURTS

The conference agreement provides \$29,000,000 for discretionary grants to States to implement drug courts, instead of \$100,000,000 as proposed by the Senate. The House bill included no funds for this purpose.

##### VIOLENCE AGAINST WOMEN GRANTS

The conference agreement provides \$26,000,000 for discretionary grants to combat violent crimes against women, instead of \$85,000,000 as proposed by the Senate. The House bill included no funds for this purpose.

## OUNCE OF PREVENTION COUNCIL

The conference agreement provides \$1,500,000 to implement the Ounce of Prevention Council, instead of \$3,000,000 as proposed by the Senate. The House bill included no funds for this purpose.

## STATE CRIMINAL ALIEN ASSISTANCE PROGRAM

The conference agreement provides \$130,000,000 to reimburse States for their costs to incarcerate illegal aliens. The House bill included funds for this purpose under the Expanded Byrne program. The Senate amended the bill to allow for the transfer of \$350,000,000 from amounts appropriated for Contributions for International Peacekeeping Activities and Contributions to International Organizations for this purpose, and also amended the bill to allow the use of Community Policing Funds for this purpose.

## GENERAL ADMINISTRATION

## SALARIES AND EXPENSES

The conference agreement provides \$17,400,000 for additional immigration judges as part of the President's Immigration Initiative, instead of \$24,069,000 as proposed by the House and \$24,300,000 as proposed by the Senate.

## COMMUNITY POLICING

The conference agreement provides \$1,300,000,000 for Community Policing as proposed by the Senate, instead of \$1,332,000,000 as proposed by the House.

The conferees agree that it is critical to provide these police hiring grants as expeditiously as possible. To that end, the conference agreement authorizes the use of \$200,000,000 of this appropriation to provide grants for community policing applications submitted under the fiscal year 1993 Police Hiring Supplemental.

The conferees are concerned with the limited number of grants awarded to county sheriff departments during competition for the fiscal year 1993 Police Hiring Supplemental grant program. The conferees expect greater consideration be provided these critical law enforcement entities when making awards in fiscal year 1995.

The conference agreement also designates \$11,000,000 for salaries and expenses of an anticipated 150 personnel to manage and administer the Community Policing program. Of these personnel, 20 would be assigned to the Office of Justice Programs.

## SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

The conference agreement provides \$17,400,000 for additional immigration judges as part of the President's Immigration Initiative, instead of \$24,069,000 as proposed by the House and \$24,300,000 as proposed by the Senate.

## IMMIGRATION AND NATURALIZATION SERVICE

## SALARIES AND EXPENSES

The conference agreement provides the INS a total of \$100,600,000, instead of \$134,315,000 as proposed by the House and \$93,300,000 as proposed by the Senate, to implement the President's Immigration Initiative for the following program enhancements: (1) \$54,500,000 to fund 700 new and 250 redirected Border Patrol agents, as well as 110 support personnel; (2) \$17,500,000 to enhance detention and deportation programs; (3) \$28,600,000 for expedited asylum processing.

## BORDER CONTROL SYSTEM MODERNIZATION

The conference agreement provides the INS a total of \$154,600,000, instead of \$116,842,000 as proposed by the House and \$170,900,000 as proposed by the Senate, for

modernized automation and communications systems and other new technologies to improve control of the border.

## GENERAL PROVISION

The conference agreement adds new language, not in either the House or Senate bill, which makes the amounts appropriated in this title available from the Violent Crime Reduction Trust Fund upon enactment of the Crime Bill. If the Crime Bill is not enacted into law, or if it is enacted without a Violent Crime Reduction Trust Fund, then the amounts appropriated in this title will be derived from the General Fund of the Treasury.

## CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1994 recommended by the Committee of Conference, with comparisons to the fiscal year 1994 budget estimates, and the House and Senate bills for 1994 follow:

Budget estimates of new (obligational) authority, fiscal year 1994 .....	\$670,000,000
House bill, fiscal year 1994 .....	670,000,000
Senate bill, fiscal year 1994 .....	795,000,000
Conference agreement, fiscal year 1994 .....	795,000,000
Conference agreement compared with:	
Budget estimates of new (obligational) authority, fiscal year 1994 .....	+125,000,000
House bill, fiscal year 1994 .....	+125,000,000
Senate bill, fiscal year 1994 .....	

The total budget (obligational) authority for the fiscal year 1995 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1994 budget estimates, and the House and Senate bills for 1995 follow:

New budget (obligational) authority, fiscal year 1994 .....	\$23,710,631,000
Budget estimates of new (obligational) authority, fiscal year 1995 .....	27,730,230,000
House bill, fiscal year 1995 .....	26,532,230,000
Senate bill, fiscal year 1995 .....	27,206,886,000
Conference agreement, fiscal year 1995 .....	26,838,356,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1994 .....	+3,127,725,000
Budget estimates of new (obligational) authority, fiscal year 1995 .....	-892,226,000
House bill, fiscal year 1995 .....	+306,126,000
Senate bill, fiscal year 1995 .....	-368,530,000

ALAN B. MOLLOHAN,  
NEAL SMITH,  
BOB CARR,  
JAMES P. MORAN,  
DAVID E. SKAGGS,  
DAVID E. PRICE,  
DAVID R. OBEY,  
HAROLD ROGERS,  
JIM KOLBE,  
CHARLES H. TAYLOR,  
JOSEPH M. MCDADE,

*Managers on the Part of the House.*

ERNEST F. HOLLINGS,  
DANIEL K. INOUE,  
DALE BUMPERS,  
FRANK R. LAUTENBERG,  
JIM SASSER,

BOB KERREY,  
ROBERT C. BYRD,  
PETE V. DOMENICI,  
TED STEVENS,  
MARK O. HATFIELD,  
PHIL GRAM,  
MITCH MCCONNELL,  
THAD COCHRAN,

*Managers on the Part of the Senate.*

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BECERRA (at the request of Mr. GEPHARDT), for today, on account of official business in the district.

Mr. BILIRAKIS (at the request of Mr. MICHEL), for today, on account of illness.

Mr. MCKEON (at the request of Mr. MICHEL), for today, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. DUNN), to revise and extend their remarks and include extraneous material:)

Mr. TAYLOR of North Carolina, for 5 minutes, today.

Mr. GOSS, for 5 minutes each day, on August 16, 17, 18, and 19.

Mr. SHAYS, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. EVERETT, for 5 minutes, on August 17.

Mr. MILLER of Florida, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

(The following Member (at the request of Ms. WATERS), to revise and extend his remarks and include extraneous material:)

Mr. KREIDLER, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. DUNN) and to include extraneous matter:)

Mr. BAKER of California.

Mr. SANTORUM.

Mr. SOLOMON in two instances.

Mr. PACKARD.

Mr. KOLBE.

Mr. GILMAN.

Mr. LEACH.

(The following Members (at the request of Ms. WATERS) and to include extraneous matter:)

Mr. MANTON.

Mr. TOWNS.

Mr. HOYER.

Mr. TAUZIN.

Mr. LEVIN.

Mr. CARR of Michigan.

Mr. MILLER of California.  
 Mr. BILBRAY.  
 Mr. ABERCROMBIE.  
 Mr. DICKS.  
 Mr. RICHARDSON.  
 Mr. SKELTON.  
 Mr. MAZZOLI.  
 Mr. LIPINSKI.  
 Mrs. MALONEY.  
 Mr. GEJDESON.  
 Mr. FAZIO.  
 Mr. HAMILTON.  
 Mr. MORAN.  
 (The following Members (at the request of Mr. BURTON of Indiana) and to include extraneous matter:)  
 Mrs. KENNELLY.  
 Mr. PICKLE.  
 Mr. BROWN of California.

#### SENATE BILL AND JOINT RESOLUTIONS REFERRED

A bill and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 784. An act to amend the Federal Food, Drug, and Cosmetic Act to establish standards with respect to dietary supplements, and for other purposes; to the Committee on Energy and Commerce;

S.J. Res. 185. Joint resolution to designate October 1994 as "National Breast Cancer Awareness Month"; to the Committee on Post Office and Civil Service; and

S.J. Res. 192. Joint resolution to designate October 1994 as "Crime Prevention Month"; to the Committee on Post Office and Civil Service.

#### SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 2099. An act to establish the Northern Great Plains Rural Development Commission, and for other purposes;

S.J. Res. 153. Joint resolution to designate the week beginning on November 20, 1994 and ending on November 26, 1994, as "National Family Caregivers Week"; and

S.J. Res. 196. Joint resolution designating September 16, 1994, as "National POW/MIA Recognition Day" and authorizing display of the National League of Families POW/MIA flag.

#### BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On August 15, 1994:

H.J. Res. 131. Joint resolution designating December 7 of each year as "National Pearl Harbor Remembrance Day".

H.J. Res. 175. Joint resolution designating October 1994 as "Italian-American Heritage and Culture Month".

H.R. 1426. An act to provide for the maintenance of dams located on Indian lands by the Bureau of Indian Affairs or through contracts with Indian tribes.

H.R. 1933. An act to authorize appropriations for the Martin Luther King, Jr. Federal Holiday Commission, to extend such Commission, and to support the planning and performance of national service opportunities in conjunction with the Federal legal holiday honoring the birthday of Martin Luther King, Jr.

H.R. 4453. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes.

H.R. 4277. An act to establish the Social Security Administration as an independent agency and to make other improvements in the old-age, survivors, and disability insurance program.

H.R. 4426. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1995, and making supplemental appropriations for such programs for the fiscal year ending September 30, 1994, and for other purposes.

H.R. 2243. An act to amend the Federal Trade Commission Act to extend the authorization of appropriations in such Act, and for other purposes.

H.R. 4506. An act making appropriations for energy and water development for the fiscal year ending September 30, 1995, and for other purposes.

#### ADJOURNMENT

Mr. BURTON of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 25 minutes p.m.), the House adjourned until Wednesday, August 17, 1994, at 10 a.m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3695. A letter from the Acting Director, Office of Management and Budget, transmitting notification that the President intends to exempt all military personnel accounts from sequester for fiscal year 1995, pursuant to Public Law 101-508, section 13101(c)(4) (104 Stat. 1388-589); to the Committee on Appropriations.

3696. A letter from the Director, Congressional Budget Office, transmitting CBO's sequestration update report for fiscal year 1995, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-587); to the Committee on Appropriations.

3697. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to the Republic of Argentina, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking, Finance and Urban Affairs.

3698. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-323, "Comprehensive Plan Amendments Act of 1994", pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3699. A letter from the Secretary of Education, transmitting final regulations—Chapter 1 Program in Local Educational Agencies; Chapter 1 Migrant Education Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3700. A letter from the Chairperson, National Council on Disability, transmitting a copy of a report on the study of the implementation of the least restrictive environment provisions of IDEA in Massachusetts and Illinois, pursuant to 29 U.S.C. 781(a)(8); to the Committee on Education and Labor.

3701. A letter from the Inspector General of the Department of Health and Human Services, transmitting a report on Superfund financial activities at the National Institute of Environmental Health Sciences for fiscal year 1992, pursuant to 31 U.S.C. 7501 nt.; to the Committee on Energy and Commerce.

3702. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting notification that the President has authorized the use of \$1 million of funds made available for International Military Education and Training (IMET) to increase programs for the emerging democracies of Central and Eastern Europe and for the former Soviet Union (Presidential Determination No. 94-40), pursuant to 22 U.S.C. 2364(a)(1); to the Committee on Foreign Affairs.

3703. A letter from the Assistant Secretary (Legislative Affairs), Department of State, transmitting a report on the President's Determination (No. 94-42) on drawdown of commodities and services from the inventory and resources of the Department of the Treasury to support sanction enforcement efforts against Serbia and Montenegro, pursuant to 22 U.S.C. 2348a; to the Committee on Foreign Affairs.

3704. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions by Kenneth Spencer Yalowitz, of Virginia, to be Ambassador to the Republic of Belarus, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3705. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

3706. A letter from the Chair, Federal Energy Regulatory Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1993, pursuant to 5 U.S.C. 552(b)(j); to the Committee on Government Operations.

3707. A letter from the Assistant Attorney General, Department of Justice, transmitting a copy of the "Office of Crime Report" during the fiscal years 1990 and 1991, pursuant to 42 U.S.C. 10604(g); to the Committee on the Judiciary.

3708. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation entitled, the "Maritime Regulatory Reform Act of 1994"; to the Committee on Merchant Marine and Fisheries.

3709. A letter from the Department of the Army, transmitting the Department's Rio Grande De Arcebo feasibility report; to the Committee on Public Works and Transportation.

3710. A letter from the Acting Chairman, Nuclear Regulatory Commission, transmitting a report on the nondisclosure of Safeguards Information for the quarter ending June 30, 1994, pursuant to 42 U.S.C. 2167(d);

jointly, to the Committees on Energy and Commerce and Natural Resources.

3711. A letter from the Chief Staff Counsel, United States Court of Appeals, transmitting one opinion of the United States Court of Appeals for the District of Columbia Circuit; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

3712. A letter from the Assistant Secretary (Legislative Affairs), Department of State, transmitting a report covering certain properties with the Panama Canal Treaty and its related agreements, pursuant to 22 U.S.C. 3784(b); jointly, to the Committees on the Foreign Affairs and Merchant Marine and Fisheries.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on the Judiciary. H.R. 934. A bill to amend title 28, United States Code, relating to jurisdictional immunities of foreign states, to grant jurisdiction to the courts of the United States in certain cases involving torture or extrajudicial killing occurring in that state; with amendments (Rept. 103-702). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. H.R. 1103. A bill to amend title 17, United States Code, with respect to secondary transmissions of superstations and network stations for private home viewing, and with respect to cable system; with amendments (Rept. 103-703). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Natural Resources. H.R. 4709. A bill to make certain technical corrections, and for other purposes; with an amendment (Rept. 103-704). Referred to the Committee of the Whole House on the State of the Union.

Mr. FROST: Committee on Rules. House Resolution 521. Resolution waiving points of order against the conference report to accompany the bill (S. 2182) to authorize appropriations for fiscal year 1995 for military activities of the Department of Defense, for military construction, and for defense programs of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes (Rept. 103-705). Referred to the House Calendar.

Mr. STUDDS: Committee on Merchant Marine and Fisheries. H.R. 4422. A bill to authorize appropriations for fiscal year 1995 for the Coast Guard, and for other purposes, with an amendment (Rept. 103-706). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 522. Resolution waiving a requirement of clause 4(b) of rule XI with respect to consideration of a certain resolution reported from the Committee on Rules (Rept. 103-707). Referred to the House Calendar.

Mr. MOLLOHAN: Committee on Conference. Conference report on H.R. 4603. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies programs for the fiscal year ending September 30, 1995, and making supplemental appropriations for these departments and agencies for the fiscal year ending September 30, 1994, and for other

purposes (Rept. 103-708). Ordered to be printed.

#### REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. DE LA GARZA. Committee on Agriculture. H.R. 2866. A bill to provide for the sound management and protection of Redwood forest areas in Humboldt County, CA, by adding certain lands and waters and the Six Rivers National Forest and by including a portion of such lands in the national wilderness preservation system, with an amendment; referred to the Committee on Merchant Marine and Fisheries for a period ending not later than August 16, 1994, for consideration of such provisions contained in the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(m), rule X (Rept. 103-667, Pt. 2).

#### SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

Referral of H.R. 2680 to the Committee on Government Operations extended for a period ending not later than August 17, 1994.

Committee on Merchant Marine & Fisheries discharged H.R. 2866, referred to the Committee of the Whole House on the State of the Union and ordered printed.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COX (for himself and Mr. CALVERT):

H.R. 4966. A bill to authorize the Secretary of Agriculture to enter into a land exchange involving the Cleveland National Forest, California, and to require a boundary adjustment for the national forest to reflect the land exchange, and for other purposes; to the Committee on Natural Resources.

By Ms. COLLINS of Michigan:

H.R. 4967. A bill to designate the Federal building and U.S. courthouse in Detroit, MI, as the "Theodore Levin Federal Building and United States Courthouse"; to the Committee on Public Works and Transportation.

By Mr. MOLLOHAN:

H.R. 4968. A bill to authorize extensions of time limitations in a FERC-issued license; to the Committee on Energy and Commerce.

By Mr. SCHUMER (for himself, Ms. VELAZQUEZ, Mr. SERRANO, Ms. LOWEY, and Mr. OWENS):

H.R. 4969. A bill to amend the Communications Act of 1934 to limit the rates and charges that may be imposed on interstate and foreign communications made through providers of operator services; to the Committee on Energy and Commerce.

By Mr. SOLOMON:

H.R. 4970. A bill to amend vaccine injury compensation portion of the Public Health Service Act to permit a petition for compensation to be submitted within 48 months of the first symptoms of injury; to the Committee on Energy and Commerce.

By Mr. TORRICELLI (for himself, Mr. JACOBS, Mr. DEUTSCH, Mr. MANTON, Mr. GEJDENSON, and Mr. SWETT):

H.R. 4971. A bill to amend the Animal Welfare Act to strengthen the annual reporting requirements of research facilities conducting animal experimentation or testing and to improve the accountability of animal experimentation programs of the Department of Defense; jointly, to the Committee on Agriculture and Armed Services.

By Mr. TRAFICANT:

H.R. 4972. A bill to amend the Public Buildings Act of 1959 to ensure that any lease entered into by a Federal agency for office, meeting, storage, and other space necessary to carry out the functions of the Federal agency shall be subject to the leasing requirements of the Public Buildings Act of 1959; to the Committee on Public Works and Transportation.

By Mr. GUTIERREZ:

H. Con. Res. 283. Concurrent resolution designating August 24, 1994, as "Ukrainian Independence Day"; to the Committee on Foreign Affairs.

By Mr. VENTO:

H. Res. 520. Resolution providing for the concurrence by the House, with an amendment, in the amendment by the Senate to the bill H.R. 1305; rules suspended, considered and agreed to.

#### ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 778: Mr. COPPERSMITH.  
H.R. 1080: Mr. GUNDERSON.  
H.R. 1110: Mr. GUNDERSON and Mr. SKEEN.  
H.R. 1289: Mr. BARCA of Wisconsin.  
H.R. 1500: Mr. ANDREWS of Texas, Mr. BROWN of Ohio, Mrs. CLAYTON, Ms. ESHOO, Mr. FINGERHUT, Mr. ENGEL, Mrs. MINK of Hawaii, Mr. PAYNE of New Jersey, Mr. TORRES, and Mr. FORD of Tennessee.

H.R. 2292: Mr. LEVIN and Mr. GUNDERSON.  
H.R. 2355: Ms. LAMBERT.  
H.R. 2467: Mr. MCCLOSKEY.  
H.R. 2488: Mr. ACKERMAN.  
H.R. 2588: Mr. HAMBURG.  
H.R. 2956: Mr. COPPERSMITH.  
H.R. 3207: Mr. MCDERMOTT, Mr. APPLEGATE, Mr. JOHNSON of South Dakota, Mr. EVANS, Mrs. SCHROEDER, and Mr. EDWARDS of California.

H.R. 3523: Mr. ANDREWS of New Jersey and Mr. GUNDERSON.

H.R. 3712: Mr. APPLEGATE, Mr. PICKLE, Mr. YATES, Mr. MARTINEZ, Mr. ENGEL, Mr. BEIL-ENSON, Mr. MCCLOSKEY, Mr. HEFNER, Mr. TOWNS, Mr. MONTGOMERY, Mr. LEHMAN, Mr. DEFazio, Mr. CLYBURN, Mr. HASTINGS, Mrs. MEEK of Florida, Mr. BLACKWELL, Mr. SYNAR, Mr. FROST, Mr. RANGEL, Mr. EVANS, Mr. HILLIARD, Mr. BEVILL, Mr. JOHNSON of South Dakota, Mr. WATT, Mr. LIPINSKI, Mr. BERMAN, Mr. SABO, Mr. CLAY, Mr. ACKERMAN, Mr. EMERSON, Mr. ROMERO-BARCELÓ, Mrs. LOWEY, Mr. KOPETSKI, Mr. KREIDLER, and Mr. FARR.

H.R. 3971: Mr. EMERSON.  
H.R. 4026: Mr. WAXMAN.  
H.R. 4213: Mr. MEEHAN and Mr. SWETT.  
H.R. 4251: Mr. HINCHAY.  
H.R. 4321: Mr. KING.  
H.R. 4345: Mr. DELLUMS.  
H.R. 4369: Mr. CALVERT and Mr. BARTON of Texas.  
H.R. 4371: Mr. CAMP.  
H.R. 4423: Mr. MURTHA, Mr. KLINK, and Mr. FOGLIETTA.  
H.R. 4437: Mr. NADLER.

H.R. 4497: Mr. LEACH, Mr. KOPETSKI, Mr. HANCOCK, Mr. DE LA GARZA, Mr. SCHAEFER, Mr. FIELDS of Louisiana, Mr. HUTTO, Mr. WHEAT, Mr. SUNDQUIST, and Mr. TAYLOR of Mississippi.

H.R. 4566: Mr. KNOLLENBERG.

H.R. 4570: Mr. RIDGE, Mr. SAWYER, Mr. MILLER of California, Mr. HEFNER, and Mr. BEIL-  
ENSON.

H.R. 4643: Mr. SCOTT.

H.R. 4654: Mr. LEVY.

H.R. 4749: Mr. RICHARDSON.

H.R. 4805: Mr. KLECZKA and Mr. STUMP.

H.R. 4831: Mr. FALEOMAVAEGA and Mr. KIM.

H.R. 4861. Mr. DELAY, Mr. INGLIS of South Carolina, Mr. KYL, Mr. HOBSON, Mr. PORTMAN, Mr. EHLERS, Mr. GILCHREST, Mr. FRANKS of Connecticut, Mr. FRANKS of New Jersey, Mr. HOKE, Mr. RAMSTAD, and Mr. LEVY.

H.R. 4919: Mr. BEREUTER and Mr. SYNAR.

H.J. Res. 365: Mr. HUTCHINSON.

H. Con. Res. 148: Mr. KASICH and Mr. STUMP.

H. Con. Res. 233: Mr. CARR, Mr. PRICE of North Carolina, Mr. DIXON, Ms. WATERS, Mr. TORRES, Mr. BRYANT, Mr. TUCKER, Mr. MATSUL and Mr. FORD of Tennessee.

H. Res. 86: Mr. HUFFINGTON.

H. Res. 480: Ms. PRYCE of Ohio, Mr. BURTON of Indiana, Mr. MILLER of Florida, Mr. LIVINGSTON, Mr. CALVERT, Mr. GINGRICH, Mr. SMITH of Texas, Mr. GOODLING, and Mr. HASTERT.

## SENATE—Tuesday, August 16, 1994

(Legislative day of Thursday, August 11, 1994)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the Honorable CAROL MOSELEY-BRAUN, a Senator from the State of Illinois.

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*Righteousness exalteth a nation: but sin is a reproach to any people.—Proverbs 14:34.*

Eternal God, Lord of Heaven and Earth, Ruler of the nations, help us comprehend the faith of our fathers upon which they founded this great Nation.

In his address to the first joint session of Congress in Washington on November 22, 1800, John Adams said, "I congratulate the people of the United States on the assembling of Congress at the permanent seat of their Government; and I congratulate you, gentlemen, on the prospect of a residence not to be changed \* \* \*. May this Territory be the residence of virtue and happiness!" Adams said, "Our Constitution was designed only for a moral and religious people. It is wholly inadequate for the government of any other."

Patient Lord, history teaches us that great empires like Rome fell, not because they were conquered from without, but because they disintegrated from within. Awaken us to the sheer necessity for a mighty visitation of God which will lead to spiritual and moral renewal, lest our Nation perish as the great empires of the past.

In the name of God and for the renewal of our land. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, August 16, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CAROL MOSELEY-BRAUN, a Senator from the State of Illinois, to perform the duties of the Chair.

ROBERT C. BYRD,  
President pro tempore.

Ms. MOSELEY-BRAUN thereupon assumed the chair as Acting President pro tempore.

## RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 9:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Ohio is recognized to speak for up to 15 minutes.

## JUDGE SENTELLE-KENNETH STARR

Mr. METZENBAUM. Madam President, last Monday I addressed my colleagues to express my strong concern over the replacement of Robert Fiske with Kenneth Starr as the independent counsel in the Whitewater matter.

Today I rise to elaborate upon that matter, to discuss further the whole question of Judge Sentelle and his remaining in the position of continuing to make appointments in connection with the Whitewater investigation or any other independent counsel appointment. I believe that Judge Sentelle does, himself, fail to bring to the process that aura of impartiality that is so imperative if this process is to proceed forward as was originally contemplated by Senators LEVIN and COHEN when they introduced the legislation, and it was passed.

My opposition to the appointment was not because there was anything particularly wrong with Mr. Starr when Judge Sentelle appointed him, but because the whole process just looked horrible.

In fact, when Mr. Fiske was replaced, no one alleged that he did anything wrong. Two letters, one sent by Senator FAIRCLOTH to Attorney General Reno and another sent by 10 conservative Republican Congresspersons to Judge Sentelle, argued that Mr. Fiske had to be replaced in order to prevent an appearance of impropriety. And that is the subject to which I wish to address myself: The appearance of impropriety.

It was the appearance of impropriety that was the problem. So how was this

appearance problem resolved? I came to the floor last week to express my concern that the appointment of Mr. Starr by Judge Sentelle created its own appearance problems.

First, look at the man who was chosen to replace Mr. Fiske. Kenneth Starr is not just an ordinary Republican. He is a highly partisan Republican who recently considered running for the Senate and who has taken a highly visible legal stance against the President of the United States. He was appointed to the bench by President Reagan, was Solicitor General for President Bush, contributed heavily to House and Senate Republican candidates and currently is cochairing the campaign of a Republican challenger who has built his campaign on attacking President Clinton. What is the appearance of this?

Never before in the history of the independent counsel has an appointee had an active role in a political campaign at the time of his selection. Never before has an appointee been this politically partisan.

Now let us look at the judge who appointed Starr—Judge Sentelle—serving on the independent counsel panel at the request of Chief Justice Rehnquist, appointed to the Federal bench by President Reagan, sponsored by Senator JESSE HELMS and judicial protector of Oliver North.

As if these appearance problems with Mr. Starr and Judge Sentelle were not enough, recently we have learned even more. It appears that at the time Judge Sentelle was deciding who would be Mr. Fiske's replacement, he was meeting on Capitol Hill with two of the most vociferous critics of the Clinton administration and the Whitewater matter. Now, how does that look? We are talking about the appearance of impropriety, and how can you possibly explain that kind of contradiction, or at least that kind of meeting, in view of the so-called appearance of impropriety?

A judge who is charged with selecting an impartial and independent counsel—one free from political influence—should not appear to be subject to political influence himself. Surely, Judge Sentelle should have known better. He should have been sensitive enough to appearances of partisanship to realize that he had no business meeting with two conservative Republican friends, one of whom was spearheading the effort to replace Mr. Fiske. What are Americans supposed to think of a judge, who is charged with maintaining

impartiality, appearing to consort with the leading critics of the opposing political faction?

This meeting, regardless of what was discussed, destroys any remaining hope of an appearance of impartiality. Even if the independent counsel matter was not discussed—and I have no way of knowing whether it was or was not—the mere presence of these men together at that time raises a highly disturbing appearance of impropriety.

How in the world, I ask my colleagues, can this have the appearance of impartiality? How can the American people possibly have faith in the independence of the special counsel responsible for such a highly sensitive political investigation of the President under these circumstances?

That is now impossible. There is no other way to slice it. It is impossible to deny the appearance of—not of impropriety—of impartiality. It is clear that if what my Republican colleagues were concerned about with Mr. Fiske was the appearance of impartiality, then what we have here is an appearance problem from beginning to end. Judge Sentelle's pick of Kenneth Starr has a much worse appearance problem than anything—than anything—alleged about Mr. Fiske.

Perhaps even more important, Madam President, is the threat that this appointment process poses to the independent counsel law. That law was originally enacted in the best bipartisan spirit, a tremendous effort, led in the Senate by Senator LEVIN and Senator COHEN, and the Members of the Congress owe them a debt of gratitude for fashioning that law in such a way so that, indeed, there could be an independent counsel that was truly independent.

The whole thought behind the original act was to protect the independent counsel process from partisan influence and to promote the fairness of investigations. The whole reason judges were accorded the decision as to the selection of an independent counsel is because they are supposed to be immune from political influence and able to maintain public confidence in a fair process. The replacement of Mr. Fiske with Mr. Starr by Judge Sentelle makes a mockery of the independent counsel law.

We must act to protect the statute's purposes. We must start from a clean slate. In order to protect the appearance of impartiality, Kenneth Starr should either resign his appointment or be removed from the post.

In addition—and this, I believe, is probably as important as anything that I have said up until this point—before Judge Sentelle has another chance to taint the appearance of another appointment, he should either step down or be removed from the judicial panel that selects independent counsels, for the same reason.

I understand that Judge Sentelle is involved at this very time in selecting the independent counsel to handle the Mike Espy investigation and would continue to make such appointments in the future.

In light of the appearance of partisanship he has displayed in the Starr appointment, the American people cannot accept his continued involvement as head of the independent counsel panel.

I am sure that there are hundreds of eminent lawyers out there—Democrats and Republicans alike and maybe some Independents as well—who could be trusted as nonpartisan, independent counsel. And I am confident that Chief Justice Rehnquist would be able to find another judge—I do not care whether he or she is a Democrat or a Republican—who could fill Judge Sentelle's position on the panel without creating the appearance of partisanship.

I believe that Justice Rehnquist has some responsibility in this matter, and I would call upon him to reexamine the propriety of Judge Sentelle continuing to head up the panel choosing the independent counsel in this instance, as well as possibly future ones.

The American people can no longer trust in the integrity and fairness of this independent counsel investigation. The law was fashioned correctly, and the operation of the law was supposed to work well. But at this moment, there appears to be nothing independent about it. It reeks of partisanship, and the American people know it. Actions must be taken to restore the public's confidence in this most important matter and in the overall integrity of the independent counsel process.

Madam President, I yield back the remainder of my time.

Mr. GRASSLEY addressed the Chair. The ACTING PRESIDENT pro tempore. The Senator from Iowa.

#### EXTENSION OF MORNING BUSINESS

Mr. GRASSLEY. Madam President, I ask unanimous consent to address the Senate in morning business for 6 minutes, and I ask that the time be extended beyond 9:30 to that extent.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### NOMINATION OF LT. GEN. MICHAEL RYAN

Mr. GRASSLEY. Madam President, I want to speak in support of a pending nomination that I do not know exactly when it is going to come up because nominations of this type come up very quickly and usually at the close of business.

Madam President, I would like to speak in support of the pending nomi-

nation of Air Force Lt. Gen. Michael Ryan.

General Ryan is currently the Assistant to the Chairman of the Joint Chiefs of Staff.

He has been nominated to be "dual-hatted" as commander, Allied Air Forces, Southern Europe, NATO, and commander, 16th Air Force, U.S. Air Force, Europe.

I would like to speak on General Ryan's nomination because it has a direct bearing on the pending nomination of Lt. Gen. Buster C. Glosson.

General Glosson got in hot water for allegedly having improper communications with three members of the 1993 major general promotion board and then allegedly lying about it when questioned by investigators.

Well, General Ryan was a member of that selection board.

He and two other senior officers formally complained that General Glosson had communicated with each of them separately regarding the integrity of a fellow officer whose name was before the board for consideration.

Improper communications with a promotion board are "expressly forbidden" by paragraph 11 of Air Force Regulation 36-9. The failure to obey this regulation could be a court-martial offense under the Uniform Code of Military Justice.

The Senate Armed Services Committee has worked very hard in recent years to bring some integrity to the military promotion process and most particularly to insulate promotion boards from improper influence.

The rules that were allegedly violated are a direct result of all the committee's hard work.

Because of the serious nature of complaints lodged against General Glosson, a joint investigation was launched by the Department of Defense inspector general and the Air Force IG.

The DOD IG was in charge and made all decisions regarding the scope and direction of the investigation.

All parties involved were questioned under oath. The evidence was evaluated and a joint report was issued on November 8, 1993.

The joint report was reviewed and approved by the Judge Advocate General and general counsel of the Air Force. The lawyers said: "The findings are supported by the evidence of record."

The principal evidence in the case against General Glosson is the testimony given by General Ryan and two other senior officers.

General Ryan testified that approximately 2 weeks after he had been officially notified and designated as a member of the selection board, General Glosson called him on the telephone.

General Ryan described the telephone conversation like this:

LTG Glosson related to me the following: That [General X] had lied to the Chief of Staff [General McPeak], and that the Chief

of Staff didn't want him promoted. I asked General Glosson, I said, let me see if I got this right. I was taken aback. [General X] lied to the Chief of Staff, and the Chief of Staff does not want [General X] promoted. And he says, That's it. And I said, I understand the message. And that was the end of the conversation. It was a very short conversation.

The IG investigators asked General Ryan if he thought General Glosson knew he was a member of the board when he called: "In your mind, were you convinced that he [General Glosson] knew you were a member of the board?"

General Ryan replied: "Oh yes, I'm sure."

The IG followed up: "No doubt of that."

General Ryan: "No doubt."

After General Glosson's telephone call, General Ryan testified that he felt "disturbed." He said:

After a point, it started festering in me \*\*\* It really started bugging me \*\*\* I don't think I can get through it \*\*\* I can't sign that piece of paper and swear that I know of no attempt to influence the outcome of the board.

Madam President, officers who are assigned to such boards take a solemn oath to act without prejudice or partiality. And they have a duty to request relief if they think the board's proceedings have been somehow compromised.

After considerable anguish, General Ryan asked to be excused from the board. He related the substance of his telephone conversation with General Glosson to Secretary Widnall, and she subsequently excused him from the board.

General Glosson's testimony presents a somewhat different picture of what happened. General Glosson admitted he had the telephone conversation with General Ryan. General Glosson admitted that he questioned the integrity of General X during the conversation. General Glosson said General X "had lied" to him in the past. And he even admitted saying that "the chief can't trust" General X.

But that is where the similarities ended. General Glosson denied telling General Ryan that he and the chief did not want General X promoted, and he denied knowing that General Ryan was a member of the promotion board.

General McPeak's testimony did not help General Glosson. General McPeak denied that he ever told Glosson that General X was dishonest and should not be promoted.

Madam President, as I said a moment ago, the principal evidence in the case is the testimony of those involved.

What did General Glosson say to General Ryan and the other two officers about the fitness of General X for promotion to higher rank?

Did General Glosson say that Chief of Staff McPeak did not want General X promoted?

Did General Glosson know General Ryan and the others were members of the board when he spoke to them?

These issues are the focus of the testimony.

The testimony of General Ryan and the other two officers is almost identical about what General Glosson supposedly said.

General Glosson, by comparison, gives a very different version of what was said.

Madam President, it comes down to this: His word against theirs. There is no room for a mistake or misunderstanding. There is no way to resolve the conflicting testimony.

What we have here are irreconcilable accounts of what happened. There is just one inescapable conclusion: Somebody is lying.

The inspectors general found that General Ryan's account of his telephone conversation with General Glosson was almost identical in "timing, substance, and intent" with General Glosson's alleged communications with the other two officers.

General Ryan's version of General Glosson's comments was corroborated by the testimony of the other two senior officers, who said Glosson made similar statements to them. There is no evidence that Ryan or the others had a motive to lie.

There is not one shred of evidence to suggest that General Ryan and the others conspired to fabricate the allegations against General Glosson. What benefit could they possibly derive from doing that?

Quite to the contrary, General Ryan and the others came forward at great personal risk and with no certainty about what the final outcome might be.

The inspectors general believe that General Ryan is telling the truth. Everything points in that direction.

For these reasons, Madam President, I support General Ryan's pending nomination.

#### JUDGE SHERMAN G. FINESILVER STEPS DOWN AS CHIEF JUDGE IN U.S. DISTRICT COURT, COLORADO

Mr. BROWN. Madam President, I want to turn the attention of the U.S. Senate to a distinguished American: Chief Judge Sherman G. Finesilver of the U.S. District Court of Colorado.

On June 1, 1994, Chief Judge Finesilver took senior status. He will be sorely missed and difficult to replace on the active trial bench.

This does not mean a retirement, merely a change of status. Judge Finesilver will continue to handle a substantial case load and lend his expertise as a settlement judge for other judges in complex litigation—a field in which he is nationally known.

Judge Finesilver's contributions are as many as they are valued. In addition to an unusually sharp mind and an impressive command of the law, Judge

Finesilver has a judicious demeanor. In the imposing Federal courtroom, litigants are all too often faced with a process that seems to either threaten the social good for legal technicalities or disregard legal principles for more popular decisions. Judge Finesilver is crafting a jurisprudence worthy of praise both for its legal acumen and its social worth.

In his 39 years of service on the bench, Judge Finesilver has made his mark—by humanizing the court, by solving complex legal matters, by facing the difficult cases and by lucidly explaining his decisions.

Judge Finesilver has served in the Federal and State judiciary for 39 years, the past 23 as a Federal judge. His judicial career dates back to 1953, when at age 28, he was appointed a county judge in Denver. He was elected to the district bench in 1962 and again in 1966. At each election he led the ticket among all candidates for any office in Denver. Judge Finesilver was appointed to the Federal bench in 1971 by President Nixon and in the length of active service in May, 1994, he became a senior trial judge on both the Federal and State benches in Colorado and in the Federal Tenth Circuit.

He has served as chief judge of the important U.S. Federal court for the past 12 years and he has been effective and accomplished. He is widely known for his skill as a trial judge, a national leader in effective court management, a master of trial settlement of complex litigation. He is held in high respect throughout the country as an effective chief judge. He is a widely sought after speaker in judicial, legal, and medically-related subjects. Because of his skill as a settlement master and trial judge, he has been appointed by the Chief Justice to serve in that capacity in Florida, Idaho, California, Puerto Rico, and 10 other Federal Districts.

By election of all judges in the tenth circuit, he was elected to serve on the Judicial Conference in the United States—the highest policymaking body in the Federal judiciary; he also was a member of the Judicial Council of the Tenth Circuit, Chair of the Chief Federal District Judges of the Tenth Circuit, Coordinating Council of Federal Native American Trial Judges in the Tenth Circuit.

Judge Finesilver has tried over 7,000 civil cases in Federal court and an additional 3,000 while a State district judge. He handled literally thousands of cases in service as a county judge, where his program established the driving improvement school—a national model the format of which has been used by the National Safety Council and American Association of Retired Persons.

His legal rulings in such diverse fields as discrimination in employment, oil shale, water law, massive disasters including aircraft, securities

law, intellectual property, have been heralded as learned, persuasive, and precedent-setting. Virtually all swine flu cases in the country are built on his opinions which resulted in development of the National Childhood Vaccine Act. His ruling in an harassment in employment case was the first of its kind in the Nation and prompted widespread changes to employment practices in the private and public sectors.

No doubt exists that Judge Finesilver's leadership in serving not only the intellectual demands of justice, but also the efficiency demands of justice mark his tenure as a widely known and respected jurist who has done much to humanize the Federal court system. His expertise at managing complex and difficult cases is renowned. He presided over 125 cases arising out of the swine flu vaccination program. Virtually all later cases built on the precedents he established. Judge Finesilver handled a major airplane crash case involving 28 fatalities and numerous injuries. The case was concluded within an unprecedented 1 year from the date of filing and 24 months from the date of the crash. The multifaceted Silverado litigation was brought to settlement within 12 months of filing. His managerial and judicial activity in a securities fraud case in northern Colorado resulted in investors receiving over 100 percent of their initial investments. This recovery is unparalleled in the United States. He concluded a massive environmental case at the Lowry landfill facility within 1 year.

In addition, his writings on legal, medical, and youth and citizenship-related fields have brought him a national reading audience. An excerpt of one of his speeches was published in Reader's Digest. His early career dealing with the legal rights of the deaf resulted in development of a model interpreter's law, which is a forerunner of laws in all State and Federal courts.

In his early years as a judge, Judge Finesilver was nationally recognized for his activity in dealing with enhancement of the legal rights of the deaf, physically impaired and aging, promoting their insurability and fair driver licensure. He was a driving force for the development of closed captioned television for hearing impaired persons on television broadcasting—a concept he began working on in the 1960's while dealing with the legal rights of the deaf and physically hearing impaired at the University of Denver College of Law.

Judge Finesilver, by Presidential appointment, has served on five national commissions and panels in aging, physically impaired, drunk drivers, traffic safety and recently, on the need for research in antisocial and aggressive behavior in the United States.

Judge Finesilver has been awarded honorary doctorates from Gallaudet

College in Washington, DC, for his championship of the rights of the deaf, New York Law School for his pioneering role for the legislation of organ transplants, right of the deaf and physically handicapped, and the enlightened administrative justice. He has also achieved honorary doctorates from the University of Colorado and Metropolitan State College in Denver. He has also received the Norlin Award for outstanding alumni at the University of Colorado.

Colorado's Chief Judge also contributes to our State and our country when he leaves the bench and hangs up his robe. Outside the courtroom, Judge Finesilver has such notable accomplishments as the development of the Federal magistrate judge systems throughout the State of Colorado to make sure the courtroom door is always open, the establishment of a liaison between Federal and State judges and the drafting of a model criminal code for the Czech Republic.

These are just a few of the other noteworthy accomplishments.

Initiated community constituted naturalization programs—one featured former president Gerald Ford; youth were heavily involved in the program. The program was recognized by the Freedoms Foundation of Gettysburg, PA.

Served for over 20 years as chair, American Citizenship Committee of the Colorado Bar Association, which has as its focal point court visitations by school children with attorneys as tour leaders. One program contrasted United States judicial system with that of the U.S.S.R.; this program was honored by the Freedoms Foundation.

Principal author of monograph on community service—a new dynamic in criminal justice; monograph is used in all 94 Federal district courts and probation offices.

By personal involvement, encouraged manufacturer to donate 200 T-shirts to Denver low-income persons: shirts were confiscated from merchants who illegally obtained and distributed them.

One of the principal founders—and first chairman—of Minoru Yasui Community Volunteer Award, a monthly award given to recognize volunteer activities of Colorado residents. The monthly cash award is now \$5,000, and the awardee determines the charity to receive this amount. Thus, many Denver charities have been beneficiaries of this unusual award. The M.Y.C.V.A. program served as a model for the J.C. Penney Community Award and television station KUSA's Nine Who Care Award.

Encouraged greater availability of judicial resources in areas of two Native Indian tribes in Durango and Cortez, CO; developed improved cooperation among tribal leaders, U.S. magistrate judges, U.S. attorney's office, Federal public defender's office, and local law enforcement.

Developed endangered species exhibit for display at Stapleton International Airport in Denver. Part of funds necessary for exhibit was obtained through fines assessed against persons convicted of Federal endangered species crimes. Exhibit was one of the first of its kind at an airport, seen by millions of travelers, and widely heralded by those interested in the preservation of endangered wildlife.

A Denver editorial noted his retirement as chief judge in these words:

One of Finesilver's hallmarks on the bench has been proficient management—an uncanny ability to close cases and keep the docket moving—which he has seen as rapidly increasing in importance of late. Thus, not only did he keep the wheels of justice operating smoothly, he saved taxpayers some large sums of money.

Finesilver's career, however, cannot be adequately summed up in terms of quantity alone. The quality of his jurisprudence has been at least as notable. His emphasis on fairness, knowledge of the law, research skills, analytical acumen and articulation—all components of what is commonly called wisdom when applied to judges—are well known and respected.

It is also important to add dedication to that list of words. The son of a west side family of modest means who attended law school by night, Finesilver's judicial career began in Denver County Court in 1955, when he was only 28. He was elected to the State district bench in 1962 and 1966, and appointed by President Nixon to the Federal district bench in 1971.

Those two State elections were pivotal crossroads in his career. When he won those elections, Finesilver was considered one of Colorado's most electable individuals. That is to say, had Finesilver chosen to pursue politics at that time, the only likely direction for his career would have been upward.

But Finesilver avoided the greater visibility—and probably easier workload—of a political career in favor of his chosen calling. He is a man who believes not only in the need for law, but in the honor and nobility of the legal profession itself.

"My heart still swells with pride," he wrote to President Clinton this week, "at the beginning of each court session when the court crier opens the court with these words—'God save the United States and this Honorable Court'."

Fortunately, Sherman Finesilver will still be hearing that clarion call for some time. Although stepping down as chief judge, he will remain a senior Federal judge, characteristically looking forward to handling a substantial number of cases. Also characteristically, he will devote increased time to such projects as helping research Native American tribal law—one of his personal passions—and in assisting the Czech Republic draft a criminal code.

But Finesilver also hopes to spend more time with his grandchildren, and

"fishing the mountain lakes and streams where over the years [he has] drowned, lost and snagged more than a million worms and prize fishing flies."

The following is a personal note by one of his former law clerks.

One can see him light up while performing the citizenship tasks of his judgeship. I'll never forget the truly special moments during my clerkship when Judge Finesilver performed the swearing-in ceremony for new American citizens, or when we conducted a mock trial to determine who stole the Halloween pumpkin for a local group of first graders. These are the acts of not only a sensitive and remarkable judge, but also a good citizen. Although, I have known Judge Finesilver for only a few of his thirty-eight years on the bench, I stand with the many who have known him much longer in congratulating him on a lifetime of achievement as a judge, a leader, and "citizen" in the word's best sense. Congratulations, and thank you, Judge Finesilver.

On May 31, 1994, Judge Finesilver completed his last day as the chief judge. On that day, when the court crier called out "God save the United States and this Honorable Court," I imagine he really meant it.

#### DIVERSITY; TOLERANCE

Mr. BOREN. Madam President, a college classmate of mine, Phil Johnson, has just written a very interesting and instructive article on the challenges of diversity and the need for tolerance in our society. It was recently published in the journal *Telecommunications*, a publication of the Alliance for Telecommunications Industry. I am pleased to share it with my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### MULTICULTURALISM: ITS PROMISE AND CHALLENGE TO COMMITTEE T1 (By Phil Johnson)

It is obvious that Diversity, Multiculturalism, or whatever politically correct term is in vogue, is a part of our daily lives—at home, in the work environment, in the greater society. And it is equally obvious that these pluralisms have been embraced, rightly I think, by Committee T1 and have added to the decade of success for Committee T1.

But I also think that a pre-condition, not well understood and not brought to conscious recognition, lie at the basis of this success. This pre-condition is a value, shared across the pluralities, to bring different views to debate and to find, through compromise, a place where, not optimal perhaps, consensus can be reached for a time. The shared belief that this scenario can occur is a testament of faith to the founding fathers of Committee T1 and to the company members and representatives of those members who live this belief day-to-day.

Perhaps seeing "Schindler's List" recently reminded me that Drucker's "Tyranny of the Minority" are silent for only a moment and, because of the pluralism we jointly support, we of Committee T1 always need to be at the ready to respond. These are the people of an ideology, and it is the consequences of an ideology that we must deal with. Those cir-

cumstances where we forget our common moorings in our accumulated, common humanity are always ready to present issues for us.

The issue—the opposite of Burke's circumstances—is that when timeless dogmas are allowed to run unconnected in time (or, to the accumulated experience and contending currents of humanity) an ideology encourages murder as easily as encourages claim of nobility. But the experience in the world and ours in T1 say that not all options are equally likely and, in fact, our reason for being is the development of reason as to why certain path(s) are preferable.

Why does any ideology tend to be authoritarian? Perhaps it is that any system of ideas that consciously purifies itself to previous context and claims to contain all value must also wish for complete control. Any scheme for regulating life that systematically asserts that it is internally and systematically complete must logically will to exercise its power completely, or its claims for itself are invalid. This self-righteousness is a function of this inferred self-perceived completeness. And, as I have mentioned earlier in these newsletters, these closed systems seduce us as being attractive because they are simple. I say that they are simple only because they are manipulations and evasions of the contradictory, gray, complex reality of the plurality of Committee T1 (and the larger society). And those who operate such systems are compelling because they are never in doubt.

This, I think, underlies the reason why organizations use process to develop. Use of process, so common and yet so taken for granted within Committee T1 and elsewhere, allows solutions to develop in a plurality where, as Alex Bickal put it, "Where values are provisionally held, are tested and evolve within the legal order—derived from the morality of the process, which is the morality of consent."

This commitment to believing in process does in no way mean that one does not hold dear beliefs in equality, in social justice, in the reward of merit and in freedom itself. One must have convictions, but also must be willing to submit these beliefs to the testing and tumult of the process. What binds us together as free women and men—as Americans—is a shared faith in those processes by which we evolve and test our several beliefs and traditions. Fear the self-inflicted blindness of self-righteousness and find truth in that construct where means and process live.

"Circumstances \*\*\* give in reality to every political principle its distinguishing color and discriminating effect. The circumstances are what render every civil and political scheme beneficial or noxious to mankind."—EDMUND BURKE, "Reflections on the Revolution."

#### CARL ANDREW WARREN

Mr. MITCHELL. Madam President, on August 4, 1994, Carl Andrew Warren, an employee of the Sergeant at Arms and Doorkeeper of the Senate, passed away.

Mr. Warren served the Federal Government for almost 35 years. In 1958, he was drafted into the Army. After completing his tour of duty, he worked in the Senate Restaurant as a banquet porter. In 1964, Mr. Warren joined the staff of the Sergeant at Arms.

Initially hired as a skilled laborer, Mr. Warren was promoted to the posi-

tion of assistant night foreman in the Environmental Service Department. Mr. Warren's primary responsibility was the care and maintenance of the Minton tile floors located throughout the Senate wing of the U.S. Capitol. He was a dedicated and loyal employee, who took great pride in his work. Countless visitors to the Capitol have admired the colorful tile floors and the fine maintenance Mr. Warren provided.

I know all Members of the Senate share my appreciation of Carl Andrew Warren's years of service and join me in extending our deepest sympathies to his mother, stepfather, and seven brothers and sisters.

#### BUDGET SCOREKEEPING REPORT

Mr. SASSER. Madam President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through August 13, 1994. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the concurrent resolution on the budget (H. Con. Res. 287), show that current level spending is below the budget resolution by \$2.6 billion in budget authority and \$1 billion in outlays. Current level is \$0.1 billion above the revenue floor in 1994 and below by \$30.3 billion over the 5 years, 1994-98. The current estimate of the deficit for purposes of calculating the maximum deficit amount is \$311.7 billion, \$1.1 billion below the maximum deficit amount for 1994 of \$312.8 billion.

Since the last report, dated August 9, 1994, Congress has approved for the President's signature the Aviation Infrastructure Investment Act (H.R. 2739), and the Foreign Assistance Appropriations Act (H.R. 4426). These actions changed the current level of budget authority and outlays.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, August 15, 1994.

Hon. JIM SASSER,  
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the 1994 budget and is current through August 13, 1994. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Concurrent Resolution on the Budget (H. Con. Res. 64). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as

amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated August 8, 1994, Congress has approved for the President's signature the Aviation Infrastructure Investment Act (H.R. 2739), and the Foreign Assistance Appropriations Act (H.R. 4426). These actions changed the current level of budget authority and outlays.

Sincerely,

JAMES L. BLUM  
(For Robert D. Reischauer).

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE FISCAL YEAR 1994, 103D CONGRESS, 2D SESSION, AS OF CLOSE OF BUSINESS AUG. 13, 1994

(In billions of dollars).

	Budget resolution (H. Con. Res. 64) <sup>1</sup>	Current level <sup>2</sup>	Current level over/under resolution
<b>ON—BUDGET</b>			
Budget authority .....	1,223.2	1,220.7	-2.6
Outlays .....	1,218.1	1,217.2	-1.0
Revenues:			
1994 .....	905.3	905.4	0.1
1994-98 .....	5,153.1	5,122.8	-30.3
Maximum deficit amount .....	312.8	311.7	-1.1
Debt subject to limit .....	4,731.9	4,558.4	-173.5
<b>OFF—BUDGET</b>			
Social Security Outlays:			
1994 .....	274.8	274.8	.....
1994-98 .....	1,486.5	1,486.5	.....
Social Security Revenues:			
1994 .....	336.3	335.2	-1.1
1994-98 .....	1,872.0	1,871.4	-0.6

<sup>1</sup> Reflects revised allocation under section 9(g) of H. Con. Res. 64 for the Deficit-Neutral reserve fund.

<sup>2</sup> Current level presents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

Less than \$50 million.

Note: Detail may not add due to rounding.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 103D CONGRESS, 2D SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1994, AS OF CLOSE OF BUSINESS AUG. 13, 1994

(In millions of dollars)

	Budget authority	Outlays	Revenues
<b>ENACTED IN PREVIOUS SESSIONS</b>			
Revenues .....			905,429
Permanents and other spending legislation <sup>1</sup> .....	721,182	694,713	
Appropriation legislation .....	742,749	758,885	
Offsetting receipts .....	(237,226)	(237,226)	
Total previously enacted .....	1,226,705	1,216,372	905,429
<b>ENACTED THIS SESSION</b>			
Emergency Supplemental Appropriations, FY 1994 (P.L. 103-211) .....	(2,286)	(248)	
Federal Workforce Restructuring Act (P.L. 103-226) .....	48	48	
Offsetting receipts .....	(38)	(38)	
Housing and Community Development Act (P.L. 103-233) .....	(410)	(410)	
Extending Loan Ineligibility Exemption for Colleges (P.L. 103-235) .....	5	3	
Foreign Relations Authorization Act (P.L. 103-236) .....	(2)	(2)	
Marine Mammal Protection Act Amendments (P.L. 103-238) .....		4	
Airport Improvement Program Temporary Assistance Act (P.L. 103-260) .....	(65)		
Federal Housing Administration Supplemental (P.L. 103-275) .....	(*)	(2)	
Total enacted this session .....	(2,748)	(645)	
<b>PENDING SIGNATURE</b>			
Aviation Infrastructure Investment Act (H.R. 2739) .....	2,170		
Foreign Assistance Appropriations Act (H.R. 4426) .....	99	99	
Total pending signature .....	2,269	99	0

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 103D CONGRESS, 2D SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1994, AS OF CLOSE OF BUSINESS AUG. 13, 1994—Continued

(In millions of dollars)

	Budget authority	Outlays	Revenues
<b>ENTITLEMENTS AND MANDATES</b>			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted <sup>2</sup> .....	(5,562)	1,326	
Total current level <sup>3,4</sup> .....	1,220,664	1,217,153	905,429
Total budget resolution .....	1,223,249	1,218,149	905,349
Amount remaining:			
Under budget resolution .....	2,585	996	
Over budget resolution .....			80

<sup>1</sup> Includes Budget Committee estimate of \$2.4 billion in outlay savings for FCC spectrum license fees.

<sup>2</sup> Includes changes to baseline estimates of appropriated mandates due to enactment of P.L. 103-66.

<sup>3</sup> In accordance with the Budget Enforcement Act, the total does not include \$14,265 million in budget authority and \$9,091 million in outlays in funding for emergencies that have been designated as such by the President and the Congress, and \$757 million in budget authority and \$291 million in outlays for emergencies that would be available only upon an official budget request from the President designating the entire amount as an emergency requirement.

<sup>4</sup> At the request of Budget Committee staff, current level does not include scoring of section 601 of P.L. 102-391.

\* Less than \$500 thousand.

Notes: Numbers in parentheses are negative. Detail may not add due to rounding.

IS CONGRESS IRRESPONSIBLE?  
YOU BE THE JUDGE ABOUT THAT

Mr. HELMS. Madam President, anyone even remotely familiar with the U.S. Constitution knows that no President can spend a dime of Federal tax money that has not first been authorized and appropriated by Congress—both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is, the constitutional duty and responsibility of Congress to control Federal spending. Congress has failed miserably in that task for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at \$4,666,432,889,364.19 as of the close of business Monday, August 15. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is \$17,898.87.

SHANNON HASTINGS TO COMPETE  
IN MISS AMERICA PAGEANT

Mr. SMITH. Madam President, I want to congratulate Miss New Hampshire 1994, Shannon Heather Hastings of Newport, NH, as she prepares to take part in the 1994 Miss America Pageant in Atlantic City, NJ, on September 17. We in the Granite State are proud to have Shannon represent us at this prestigious event.

Shannon, a 21-year-old senior majoring in theater at the University of New Hampshire, won the Kingston State Scholarship Pageant in May to become Miss New Hampshire. She is interested in a career in stage and film and has been active in many volunteer programs across the State.

Working with local police departments, Shannon has volunteered with D.A.R.E. [Drug Abuse Resistance Education], a program which provides law enforcement officials and teachers with an opportunity to work together to prevent drug abuse. In addition, Shannon developed and implemented a drug and alcohol prevention program called "Steppin Out and Up" in many of New Hampshire's schools and made presentations to numerous civic groups. She has also volunteered with the Special Olympics.

In addition to her volunteer efforts, Shannon has pursued her interest in theater. She first performed the role of Annie at the age of 10 in a professional summer stock theater. At Newport high school, she had a major role in the musical "Assassins." She was also a member of the Tri-M Music Honor Society and the All-State Chorus.

Shannon was active in athletics at Newport High School where she broke a 12-year triple jump record and earned varsity letters in track and

TRIBUTE TO MARION CRANK

Mr. PRYOR. Mr. President, I rise today to pay special tribute to a great American and outstanding citizen of my home State of Arkansas, Mr. Marion Crank.

Marion has served in so many positions of responsibility that I cannot begin to list them all. He has spent a lifetime unselfishly sacrificing his time and energy for the betterment of his local community and his State. His untiring endeavors as a member of the Arkansas State House of Representatives won him the admiration of his colleagues and gained him the well-deserved position of speaker of the house. He has worked with legislative leaders from across the Nation to find solutions to difficult problems that have been shared by all our States.

Southwest Arkansas, in particular, owes a great deal of gratitude to Marion for his tireless efforts to recruit industry, to make safe drinking water available on a countywide basis, and to establish low-rent housing to those in need of a better place to live and raise their families. These are but a few examples of the projects and undertakings that Marion has cultivated, sustained, and helped to complete.

Marion, with his vision, prudence, and vigor, is an example of an exemplary public servant. As we strive to make a positive difference for the many generations to come, we would do well to learn from the example he has provided in his own career. I am proud to know Marion and even prouder that he is a true friend.

cheerleading. Through all of her civic, community and athletic endeavors, Shannon never let her studies fail. She was a member of the dean's list and graduated in the top 10 in her class.

Shannon is the daughter of Mr. and Mrs. Milton Hastings of Newport. She has a brother Jeffrey, age 24, who attends Plymouth State College. Her father is a production-control manager at Sturm Ruger Company in Newport and her mother has held lead roles in numerous community theater productions. Shannon has certainly followed in those footsteps.

Madam President, we send our best wishes to Shannon as she travels to Atlantic City next month to compete for the title of Miss America. She is an accomplished young woman and will be an outstanding representative of the Granite State. It is an honor to represent Shannon and her family in the U.S. Senate.

#### CRIME: SETTING THE RECORD STRAIGHT

Mr. DOLE. Madam President, I just want to take a few moments to set the record straight concerning a comment made by the distinguished majority leader, Senator MITCHELL, on last Sunday's "Meet the Press" news show and today by the distinguished Senator from Delaware, Senator BIDEN.

On "Meet the Press," Senator MITCHELL suggested that I had no right to complain about the huge amounts of social spending now contained in the crime bill since Senate Republicans offered prevention amendments to the crime bill last November. It is my understanding that Senator MITCHELL read from amendments offered by Senators DOMENICI, DANFORTH, and myself.

I will not speak of the Danforth and Domenici amendments, but I will say a few words about my amendment. My amendment had two purposes: First, to toughen the penalties for those who engage in gang-related violence, and second, to provide funding for "gang prevention" grants. The amendment passed by a bipartisan vote of 60 to 38.

As I understand it, the section of my amendment dealing with "gang prevention" was originally part of the crime bill reported out of the Judiciary Committee by the chairman of the committee, Senator BIDEN. The "prevention" language was crafted by Senator BIDEN, not by me or any other Senate Republican. In fact, I included the Biden language in my amendment in order to attract Democrat support for the tough antigang penalties.

Yes, there was a good deal of social spending in the crime bill passed by the Senate last November. But the Senate bill did not have the \$1.8 billion local partnership act; or the \$900 million model cities intensive grant program; or the \$650 million youth employment and skills grant program; or most of

the other multimillion-dollar social programs that have now become part of the conference report.

The bottom line is that the crime bill left the Senate with a price tag of \$22 billion. The conference report now authorizes a staggering \$33 billion, a 50-percent increase. Obviously, somewhere along the way, the crime bill was hijacked by the big-dollar social spenders. This is not the fault of Republicans. It is the fault of the liberal Democrats who dominated the conference committee.

#### WILLIAM D. WALKER RETIRES FROM THE FOREST SERVICE

Mr. BUMPERS. Madam President, I rise today to pay tribute to Bill Walker, an outstanding public servant from my State, who will soon retire from Government service after a distinguished 36-year career with the U.S. Forest Service in the Ouachita National Forest.

While in college, Bill began his career with the Forest Service as a forestry aide in the now-defunct Leaf River Ranger District in Hattiesburg, MS. After graduating from the school of forestry at Mississippi State University, Bill served as a forester in the Mena Ranger District in Arkansas, the Homochitto Ranger District in Mississippi, and TMA in the Neches Ranger District in Texas. In 1964, he was promoted to his first job as a ranger in the Oakmulgee Ranger District in Centerville, AL. He went on to serve as ranger on Boston Mountain in Ozark, AR, before landing in Hot Springs in 1974. One of his many accomplishments in the Ouachita National Forest was getting the timber program back on track after some difficult times in the late 1980's and early 1990's.

In addition to his commitment to public service, Bill is active in many civic organizations including the National Cubic Foot Committee, the Ozark Task Force Interdisciplinary Planning Team, the Lion's Club, the Society of American Foresters, the Arkansas Forestry Association, the Mississippi State University Alumni Association, the American Forestry Association, and the Elks Club. He also served as a member of the Arkansas Board of Registration for Foresters.

Because of his exemplary service, Bill received many honors and awards during his tenure with the agency. In 1992, he received both the Outstanding Forester of the Year for the Arkansas Division of the Society of American Foresters and the National Forest Products Timber Sale Award.

Madam President, it is truly a pleasure to recognize and honor the accomplishments of such a devoted public servant. Those of us who have worked with Bill over the years know he is the consummate professional. His hard work and dedication are legendary and

has helped make the Ouachita one of the finest national forests in the system. I hope my colleagues will join me in extending our thanks and appreciation to Bill Walker.

#### STONINGTON BAPTIST CHURCH—200 YEARS OF MAKING A DIFFERENCE IN PENNSYLVANIA

Mr. WOFFORD. Madam President, I rise today to recognize the Stonington Baptist Church as it celebrates 200 years of service and faith in the Commonwealth of Pennsylvania.

This faith community was established on June 21, 1794 by Rev. John Patton and originally called Shamokin Baptist Church. The inspired theme of the founders' was Matthew 7:24-25:

Anyone who hears my words and puts them into practice is like the wise man who built his house on rock. When the rainy season set in, the torrents came and the winds blew and buffeted his house. It did not collapse; it had been solidly set on rock.

In 1845 at a meeting held at the church the idea for establishing Bucknell University took shape. Having been president of Bryn Mawr College, I know well the tremendous impact Bucknell has had in Pennsylvania producing leaders in numerous fields.

Soon the Stonington Church will be dedicating a new addition under the able leadership of its pastor, Rev. J. Douglass Hallman, Sr. As it celebrates its bicentennial, I wish all of the congregation the very best and commend the church for its pioneering role in the history of our Commonwealth. Stonington Church has indeed been solidly set on rock and will continue to make a difference through a commitment to faith, service, and values for generations to come.

Madam President, I ask unanimous consent that an article from the Daily Item be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Daily Item]  
CHURCH TO CELEBRATE ITS 200TH ANNIVERSARY

STONINGTON.—The Stonington Baptist Church, Hosta Road, will celebrate the 200th anniversary of its founding during a 10 a.m. service on Sunday.

Foster Furman of Northumberland, whose grandparents were church leaders in the late 1800s, will make a presentation of historic information. There will be music, and the Rev. J. Douglas Hallman will be preaching from the founders' theme verses, Matthew 7:24-25.

The church was founded June 21, 1794, by the Rev. John Patton who settled in Shamokin Township from Kent County, Del. He called it the Shamokin Baptist Church.

The first members were Edward Wilkinson, Benjamin and Mary Vastine, Joseph and Ann Richardson and John and Abigail Farnsworth. The congregation was affiliated with the Philadelphia Baptist Association.

In 1796, the first church building was erected along the Shamokin Creek on the site now occupied by the Deibler Station Bible

Church, Paxinos Rd1. The land was donated by Edward Wilkinson. An offering of \$62.02 was sent from the Philadelphia Association to help pay for materials. The nails were furnished by a local blacksmith.

In 1820, the Shamokin Baptist Church, along with several other newly founded Baptist congregations, formed the Northumberland Baptist Association. In 1845, the Northumberland Baptist Association's annual meeting was convened in the Shamokin Baptist Church.

During this meeting, a resolution was passed to "establish a Literary and Theological Institution in the State, soon afterwards located at Lewisburg," presently known as Bucknell University. The association also went on record as opposing slavery.

In 1865, the congregation voted to build a new church on the "Turnpike" now known as Hosta Road in Shamokin Township. It was built and dedicated in 1873 at the cost of \$3,000.

In 1959, the name of the church was changed to Stonington Baptist Church, and incorporated under this name in 1982.

In 1983, the congregation dedicated a remodeled and enlarged sanctuary and Sunday School rooms. In September 1994 the congregation plans to dedicate the newest addition, now under construction, which will provide a fellowship hall, classrooms, kitchen, restrooms, nursery, foyer and offices.

Pastors of the church in recent years include the Rev. Russell Fry, the Rev. Forest Gass, the Rev. Warren Moyer, the Rev. Clyde Whary and the Rev. Clifford Bassett.

#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

#### HEALTH SECURITY ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of S. 2351, the Health Security Act, which the clerk will report.

The assistant legislative clerk read as follows.

A bill (S. 2351) to achieve universal health insurance coverage, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Mitchell Amendment No. 2560, in the nature of a substitute.

Dodd Amendment No. 2561 (To Amendment No. 2560), to promote early and effective health care services for pregnant women and children.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, we do have an amendment dealing with children that is before the Senate.

I yield myself such time as I might use.

We have, as we understand, if not a time agreement, at least a general understanding that during the course of the debate we will have fair distribution of time. At least it would be my understanding that we would rotate back and forth with the Members who are here.

The ACTING PRESIDENT pro tempore. The Senator's understanding is correct.

Mr. KENNEDY. That would be the way I would urge my colleagues on this side to go through the course of the morning.

Madam President, we are still waiting to have some resolution or some conclusion to the amendment that has been offered by the Senator from Connecticut. I think many of us who are cosponsors and strong supporters of it hope that it would then be followed by measures in other areas where we could begin to develop some common ground, some common understanding, some bipartisan efforts.

We had in our own Committee on Labor and Human Resources about 15 major policy areas discussed in our mark up. On at least 11 of those we were able to develop bipartisan support, and I think even though we have had some differences on the floor as expressed over the period of the last 2 weeks as we have been debating this issue, many of us are still hopeful we will be able to find the common ground which the American people are expecting and which the American people deserve so that we can move forward.

I want to take just a few moments away from the issue of children to review very briefly with the Senate the central themes that we have been examining, Republicans and Democrats alike, over the period of these past 2 weeks and to see by identifying them and by also reviewing how the principal measures which are before the Senate—the Mitchell bill and the Dole bill—actually deal with those issues because they are central to the whole health care reform debate.

Hopefully, after we dispose of the issue of preventive health care for children in our country—something for which there is such a compelling need, and for which the case I think has been very convincingly made—and after we try to make some additional progress in the areas of disability, perhaps mental health, perhaps in some rural health issues, we then will come back and focus on really the overarching policy questions which we are going to have to debate.

It seems to me to be appropriate to begin to look at those issues as we have seen them being discussed over the period of the last 2 weeks, so that we can begin to focus on those measures more effectively and hopefully more thoughtfully and try to move ahead.

So, Madam President, the two overarching goals of health reform are strengthening our health insurance protection for those who have it now, and guaranteeing health security for all Americans. We want Americans who have health coverage now to know that it will be ongoing, that it will be continuing, and it will be strengthened

with legislation that hopefully will be reported out of our Senate.

The central part of that effort must be insurance reform. We have talked about that so we can end the insurance companies' abuses and the flaws in the current system that have left too many Americans vulnerable. That is basically understood as cherry picking, the selection of the healthiest individuals and insuring those, and leaving others behind.

This is a goal shared by Republicans and Democrats alike. Virtually every speech which has been made on the floor has said that we should end pre-existing exclusions, No. 1; guarantee Americans the right to choose their doctor, No. 2; end the cherry picking that allows the insurance companies to choose to insure only the young and the healthy, No. 3. No. 4, achieve affordability of coverage for all. No. 5, open up the Federal Employees Health Benefits Program so that every American can enjoy access to the same high-quality health plan that Members of the Senate have.

We Members have many plans available to choose from. I have a family policy. I pay \$101 a month for that program, which is one of the best in this country. Many of us have felt, and felt strongly, that kind of availability ought to be there for other Americans. If it is good enough for the Members of the Senate and the House, and the 10 million other Americans who are Federal employees, including the President, it should be available to other Americans as well. In the Mitchell proposal we make that kind of program available to all Americans in the community rated pool.

When debate picks up today, we will hear discussions about layers of bureaucracy, and there will be maps and charts. But, access to the Federal Employees Program is one of the important features of the Mitchell proposal. We do not see a lot of charts or maps when any of our Members go and sign up for that program. We do not hear a lot of complaints about it. We do not hear a lot of complaints even in the course of this debate about how inadequate it has been for them personally or members of their family. So we have included that.

Another aspect was the guaranteed portability. So if you lose your job or change your job, you will not lose your coverage.

We must examine these lofty bipartisan goals: they have been repeated and repeated and repeated over the course of this debate. When we look at the two different proposals that are before the Senate, there really is only one that will achieve them. The Mitchell plan truly reforms health insurance to achieve these objectives. The Dole plan does not. In fact, if we read the fine print, the Dole plan is so riddled with loopholes that it should not be called

the American Option Plan, but rather the "American Insurance Company Protection Act."

I would like to review those items that we have outlined, and that have been mentioned by almost every Member who has spoken during the course of the debate so far.

First of all, on preexisting condition exclusions, they are still allowed. This is a matter of such importance and consequence to American families. We speak to it, even as a Member of the Senate who had a son 12 years old with cancer, who lost his leg to cancer and is now well, healthy, happy, and the father of a wonderful young daughter, and has a very important and meaningful career in terms of community service. That young man would not be able to purchase insurance as an individual in my State, and I believe in all States, unless they are part of a group.

There are millions of families like that who have what is called a preexisting condition—cancer, heart disease, diabetes, juvenile diabetes, lupus. You can name those different items. What we want to do is, in our overall health care program, say we are going to eliminate the preexisting conditions restriction.

Mr. REID. Will the Senator from Massachusetts yield for a question?

Mr. KENNEDY. I will be glad to.

Mr. REID. It is my understanding that the State of Hawaii would not be one of those States without universal coverage, and the Senator's son and others similarly situated would be automatically entitled to coverage in Hawaii. Is that not true?

Mr. KENNEDY. The Senator is correct. I appreciate the intervention. We have had a good deal of discussion about the whole Hawaiian experience, particularly as it relates not only to preexisting conditions, but also to children, and how well they do with regard to children's issues.

Mr. REID. I ask the Senator if he agrees with this statement: Even though Hawaii is the State that costs more than any other State, with a very high cost of living in Hawaii, does the Senator acknowledge that it has the lowest cost of health care of any place in the United States?

Mr. KENNEDY. The Senator is correct. If you look at the trend, since the implementation of the Hawaiian experience—and as the Senator knows, for example, they have twice the incidence of breast cancer—but much lower death rates from the disease. They have twice the visitation in terms of doctors and hospitalization, and an excellent recovery level.

In the proposal introduced by the Republican leader, treatment of preexisting conditions is not assured; there are still exclusions for all services. It says on page 80 in paragraph 4: The health plan may impose a limitation or exclusion of benefits relating to treatment

of a condition based on the fact that the condition preexisted the effective date of the plan.

It provides, furthermore, in paragraph (a): The condition was diagnosed and treated during the 3-month period prior to the plan.

So if they were getting treated 3 months prior to the plan for heart disease or cancer, they are out.

Or, it says, limitation or exclusion extends for a period of not more than 6 months after the date of the enrollment. It means that if you get in the plan, and you need treatment for 6 months, all of your treatment that was related to the plan will not be included or paid for by the plan.

Then it continues. As we know, under the Mitchell bill, all the preexisting condition prohibitions are effectively eliminated. There is an open enrollment period where anyone will be able to enter without having consideration of any preexisting condition. There is an amnesty period where people would be able to come in, and then by the year 2000, the concept of preexisting condition is totally eliminated, as compared to the Dole proposal.

In the Dole proposal, they say the participating State may establish a limit on the number of new enrollees the health plan may accept during that amnesty period.

So not only do we have a situation which excludes individuals with preexisting conditions, but the number of individuals who will be able to enter the various plans are going to be subject to some State judgment, some agency that will be established within the State, that is going to make the judgment as to whether individuals will be permitted or will not be permitted to enroll in a health plan.

You can imagine who is going to have the ear of those various State agencies. Do you think it is going to be the public or the individuals that are going to be affected with preexisting conditions, or do you think that the insurance companies might have some interest in that particular question?

If you then go to page 81, they talk about: The reference to 3 months in paragraph 1(a) is deemed a reference to 6 months. So they have a description about 3 months, and then in a later page they say any reference to 3 months is 6 months, and any reference to 6 months is deemed a reference to 12 months.

So I daresay, Madam President, that those who are most concerned about the preexisting conditions, comparing the two different proposals, have to reach very simple and clear conclusions.

Second, on the issue of the guaranteed choice of doctor, we have seen in the Mitchell proposal that co-ops and employers must provide a choice of plans, including the fee-for-service plan, which is basically the choice of doctors. That is explicit on page 136.

In the Dole bill, you can examine all 600 pages and there is no reference to how individuals are going to be able to have the free selection of doctors. It is not mentioned on page 96 in the section on cooperatives. It is not mentioned in the references to employers on page 107.

Their requirement to offer a choice of plans, or a choice of doctors, is not referenced in the legislation. We hear a great deal about the importance of choice of doctors. The Mitchell bill has it; the Dole bill does not. The Senate wants it, more importantly, the American people want it.

Elimination of preexisting conditions. The Mitchell bill phases out any exclusions for individuals that have preexisting conditions in a very determined, conscientious way. I daresay that under the Dole provisions, in the areas I have referenced, that element is still retained. The American people want to have it eliminated.

We have heard, Mr. President, a good deal about the issue of affordability and the issue of taxes. Under the Mitchell bill, it allows a maximum of 1.5 percent surcharge or marketing fee for plans sold through co-ops. On page 85 of the Dole bill—and this is just beyond belief, Mr. President. I hope I have the attention of the Members and the American people—"Administrative Charges: in general, in accordance with the reform standards, a community-rated health plan"—that is what we are basically talking about, community-rated, social insurance. We talked about that with the Republicans. Senator CHAFEE talked about the importance of community rating. And we have provided it in different ways in the bills before the Senate.

Listen to this under the Dole bill:

Administrative charges: In general, in accordance with the reform standards, a community-rated health plan may add a separately stated administrative charge not to exceed 15 percent of the plan's premium.

And to the plan's premium; \$900, it could go for. \$900. That is not even a tax. That goes to the insurance companies.

Let me point it out again. In general, in accordance with the reform standards, a community-rated health plan may add a separately stated administrative charge not to exceed 15-percent of the plan's premiums which is based on identifiable differences in marketing and other legitimate administrative costs. And then it goes on, and toward the bottom of the paragraph, "or a broker." A 15-percent additional charge under the comparison between the Dole and Mitchell bills. That would be \$900. You talk about taxes?

Mr. DASCHLE. Will the Senator yield for a moment on that question?

Mr. KENNEDY. Yes.

Mr. DASCHLE. Let me ask the Senator if it is not also true that the Dole plan allows a similar 15-percent administrative charge to be added to FEHBP

plans. In other words, any non-Federal employee who wanted to participate in the Federal Employees Health Benefits Program would also pay a 15-percent administrative charge; is that not also true?

Mr. KENNEDY. The Senator is exactly correct. That is over on page 117, section 9002, Applications to Small Business Participants.

On the top of that page it says, "A carrier offering a health benefits plan under this chapter may charge a fee to participating small businesses."

Have we not heard much about small businesses out here in the last 2 weeks, about the sensitivity to small businesses? Here, under this plan it says, "a carrier offering a health benefits plan under this chapter may charge a fee to participating small businesses." Right here, for the administrative expenses related to the enrollment of such businesses, and to Federal employees. Fifteen percent of the premiums charged each such business. That is another 15 percent, another \$900.

We are talking about billions and billions of dollars here. It is wonderfully sanctimonious for those around here to talk about the Mitchell bill and the various provisions in here about comparing cigarette taxes when we spend over \$21 billion a year in the health care system taking care of people that are using tobacco, and they are quoting about all those increases in taxes. Here, this tax isn't even a tax; it's \$900 that goes right to the insurance company.

Let me just point out how they define this. So you have those two provisions in this measure. If you go to the issue of portability, as the Senator knows, under the Mitchell bill, access to the Federal Employees Health Benefits Program is for all individuals in what they call the community-rated pool, employees and firms under 500, nonworkers, the self-employed, 78 percent of all of the under-65 population.

So the great number of Americans will have access to the same coverage as we have—and we could talk about how we want to strengthen this and other proposals that came out of different committees. The Mitchell bill makes it available to effectively 80 percent of all Americans under 65.

We have talked on both sides of the aisle, and I have listened about the importance of making available to the American people what is available for us. I pay, with the family coverage, \$101 per month. I would think most people would feel that is a very good deal. It is a good deal. We do not hear of many people around here talking about it. It is a good deal, the kind of deal we want to have for the American people.

We heard from the other side, so the Federal Employees Health Benefits Program is a good deal. Let us include

it in our program. Look at the difference in the Dole bill on page 115. "Self-employed individuals and small-employer participants in the Federal Employees Health Benefits Program."

First of all, there is no mention of a choice of doctors in here whatsoever. But let us go on. "For the purposes of this chapter, the term 'small business' means any business entity which employs 50 or less employees, including businesses with self-employed individuals." And then it goes over the application to small-business participants on 116.

I would like to have my good friends from Nevada and Washington and Colorado listen to this description. "The Office of Personnel Management shall promulgate regulations to apply the provisions relating to health benefit plans, to the extent practical, to small businesses and individuals covered under the provisions of this chapter."

One would read that—any child would read it—as small businesses and individuals covered under this chapter.

Now, two paragraphs down, it says: "Notwithstanding the provisions of subsection (a)," which I have just read, "the provision shall not apply to individuals covered under this chapter, except the Office of Personnel Management shall establish a method to disseminate information relating to health benefit plans to such individuals through small-business participants and carriers."

In the one place they say it is going to be small businesses and individuals, and in the next paragraph they take it away, as the language does, from any individuals. Individuals can participate, but the only way you are described as an individual is if you are going to qualify for coverage from the small business participants.

Then it says: "The carrier offering the health benefits plan under the chapter may charge a fee to participating small businesses." That is what we talked about before. Basically, in one paragraph they talk about small businesses and individuals, and two paragraphs later they say that notwithstanding that paragraph, the coverage shall not apply to individuals.

So this is why, Mr. President, it is important that we consider exactly what is in this legislation.

Finally, I will just mention the issue of portability. This is enormously important so that families know if they move from one job to another, they are going to continue their coverage. Every worker that enters the job market today will have, unlike 35 or 40 years ago, seven different jobs.

Forty or fifty years ago if your father was a shipfitter or ironworker in the Quincy shipyards in Massachusetts, your father or grandfather had that job for life, and they made good money, so that their wives generally stayed at home. Of course, society and market

forces have changed things a lot. Women are in the job market because they want to be, should be, and they need to be.

We found that in the change in our economy everyone who enters the job market is going to have seven different jobs. We are trying to have the portability.

Under the Mitchell proposal, you have a similar kind of a benefit package whether you live in Salem, MA, or Salem, OR.

So you move through the whole process. It may be a different company, but it is the same package.

But it is not within the Dole proposal. It is not within there. There is no requirement that your employer pay for the standard package. But, you are still going to find that individuals are going to be wanting to move. So the idea that you can say, well, it is somehow portable, is false. This program just does not meet the most minimal standards in terms of portability. If you change jobs and your employer does not pay for coverage or offer you a plan, you are out of luck. If you lose your job, you could be out of luck.

These are the essential elements that I think are just worthwhile reviewing very quickly. Under the Dole proposal we are permitting the insurance companies to charge a 15-percent tax. The Mitchell proposal is 1.5 percent. This is a 15-percent tax. The FEHB plan is still closed to most Americans. Under Mitchell it is open to 80 percent of all Americans under 65. Under the Dole proposal it is a fraction of that.

There are loopholes allowing insurance companies to limit portability of coverage. If you do not have a similar kind of a benefit package and access to the same doctors and plans in different companies, then the idea that if you move from one job to the other that you are going to have coverage defies rational explanation.

You have no elimination on the pre-existing condition exclusions, as I talked about in the Dole bill. Under the majority leader's proposal, all the pre-existing conditions for the initial phase, the initial enrollment, are phased out so that they are eliminated by the year 2000. That is still there in the Dole program. Under the Dole proposal, there is no mention, none in the 600 pages of the Dole bill, about guaranteeing access to your doctor. In every reference to the benefit package under the Mitchell bill it talks about the fee for service, which is the option with unlimited choice of your doctor.

It talks about the loopholes that allow the insurance companies to continue the cherry picking. The idea is the companies themselves will not be required to pick up or insure individuals or individual groups. There is the flexibility that will be available to the insurance companies to continue to select the healthiest individuals out

there without responsibility in terms of coverage of anyone else.

(Mr. CAMPBELL assumed the chair.)

Mr. KENNEDY. Mr. President, I dare say that these are items which we ought to try and find some common ground—hopefully, we will later on in the day—in terms of the issues on children.

But it does seem to me that we ought to be able if we are serious, and the whole debate for the last several years has been about universality and whether we were going to be able to pay for it.

We were talking about preventive health care measures, and that is the issue that we will be addressing later on with regards to children. We have not even gotten into the very extensive programs in terms of prevention that are available in the Mitchell bill.

But we cannot tolerate any measure in this body that is going to continue to permit preexisting conditions and say to the 49 million disabled people in this country that we have passed legislation that has not attended to your needs. It will not be so. We have to say, if we are serious about the choice of a doctor or plan, we have to see it in the bill. We see it in the Mitchell bill, and we continue to ask where, where, where is it in the Dole proposal.

We have to make sure that the insurance companies' 15 percent tax—I read it in the RECORD the exact language that is included in the Dole proposal—that goes not to the Federal Government but goes to the private insurance companies at their will and they would be able to have that. The exclusion—

Mr. HATCH. Mr. President, will the Senator yield?

Mr. KENNEDY. I will wind up in 2 minutes. Then I will be glad to yield.

There is the closing down really effectively of the Federal employees program to people outside the Government and the limitation on the portability. These are essential elements, Mr. President, and I have heard our colleagues talk about them as being desired. I think it is important at this stage of the debate as we are moving toward hopefully a resolution of the children's preventive programs to say that we are going to try and see if we cannot at the successful conclusion of this debate and hopefully the passage of the children's amendment, address those issues.

I am glad to yield for a question, and then I do not intend to hold the floor any more. I see the Senator from Wyoming on the floor.

Mr. HATCH. Mr. President, I ask my colleague a question because he worked very hard on this issue and I know he feels very deeply about it. Is it not true that under the Mitchell plan, other than for the purchasing cooperatives, there is an open-ended marketing fee that can be charged; there are literally no limits on how much they can charge under the Mitchell plan?

Mr. KENNEDY. Will the Senator clarify this?

Mr. HATCH. Let me read it to the Senator. This is on page 51 of the bill:

Marketing fees. No. 1, plans offered outside purchasing cooperatives, the community-rated standard health plan may impose a market fee surcharge for community-rated individuals enrolling in a plan through agent, broker, or other otherwise sales method or direct enrollment process. Such surcharge shall be in addition to the weighted average of marketing fees for such plans for community-rated individuals enrolled in such a plan for any purchasing cooperative in the community-rating area.

I think the Mitchell plan limits the market fee to about 1½ percentage points in the case of purchasing cooperatives, but for plans outside the cooperative, it is a completely open-ended fee, which is ridiculous.

The Senator is criticizing the Dole plan. At least Senator DOLE limits whatever the market fee can be. Let me tell the Senator that if the market fee is too high, I guarantee you that insurance is not going to be sold or bought.

Mr. KENNEDY. That is the whole point. Under the Mitchell bill, they do not have to pay that because they can remain within the particular program. They do not have to pay that. What the Senator is saying is in order for the plan to be competitive, it can't tax the people and the plan itself it has to pay it. The Senator is making my point for me.

Mr. HATCH. No, I am not.

Mr. KENNEDY. Yes, the Senator is. He is saying under the Dole proposal anyone who goes on into a plan, into the co-op, is at the will of the insurance companies to be charged up to 15 percent extra for an additional fee to be paid to the insurance company. Whereas, we are saying that if you want to pay a tax to the insurance companies or brokers, you can or you can go to the co-ops where people do not have those additional kind of fees. So nobody has to pay the tax because every plan has to offer through the co-op and every individual can buy through the co-op.

Mr. HATCH. If I could ask one other question?

Mr. KENNEDY. I yield briefly.

Mr. HATCH. What the Senator is saying is that there is only going to be one plan that the HIPC, the health insurance purchasing cooperative, can offer, because nobody else is going to be able to compete. If they stay in that plan there will not be any marketing charge. But I have to tell the Senator I think the free market system will compete. They are going to compete well, and they are going to have to compete. This is a false issue at best.

Mr. KENNEDY. I do not know why you give that kind of flexibility to the broker. You have the language here that the 15 percent administrative cost can go to the broker. How is that serv-

ing the American people to say you can tack on another 15 percent on top of that premium to go to the broker? What we are trying to do is to squeeze out the inefficiencies and the costs of the health care system at the present time. The Senator is writing that inefficiencies right into it.

Mr. DASCHLE. Mr. President, will the Senator yield?

Mr. KENNEDY. Yes.

Mr. DASCHLE. The Senator is absolutely right.

To clarify this point, is it not true that under the Mitchell plan every person has access to a purchasing cooperative, similar to what we have as Members of Congress through the FEHBP? Is that not accurate?

Mr. HATCH. That is certainly accurate. Of course, it is accurate. So you start with that premise that everybody has the same opportunity for access to the purchasing cooperative that we have. It is only things they are going to choose.

Mr. DASCHLE. The Mitchell bill guarantees that every single individual has access to a purchasing cooperative, which will make available to consumers many plans. One co-op may have 40 different plans. That is where the competition that we all say we want comes from. Is it not the case that, under the Mitchell plan, only if you choose not to participate in a cooperative that you could be subject to the 15 percent or higher tax that the Dole plan virtually guarantees? Is that correct?

Mr. REID. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. KENNEDY. I yield for the answer.

Mr. HATCH. Basically, you are saying there is only going to be one way or one plan you can accept because you are not allowing insurance agents their ability to sell insurance. Let me tell you something. Unless they are competitive, they are not going to be able to do it.

But this business of the Mitchell plan saying that we are going to have a purchasing cooperative, we are going to allow them to sell insurance, we are going to allow free choice, we are going to allow a fee-for-service program, all that is rhetoric and words. You are going to force everyone into a purchasing cooperative run by the Government. That is the point I am making here.

Mr. KENNEDY. Mr. President, I will just say that we do have the competition within the co-op. The point you cannot get away from is the limitation under the Mitchell bill.

In no event may the sum of the membership fee and the marketing fee charged by a purchasing cooperative with respect to a certified standard health plan exceed 1.5 percent \*\*\*.

The Dole bill is 15 percent to a broker. This is 1.5 percent.

And you can cut it whatever way you want—but there's still an additional 15 percent to get the Federal employees program. Under the Mitchell bill, any business or any individual can join the Federal employees program.

I hope we will not be talking a great deal about additional taxes until we come to the explanation. That is \$90 under the Mitchell bill versus \$900 under the Dole bill. And that is not an insignificant amount.

Mr. HATCH. Could I ask one other question of the distinguished Senator? Mr. KENNEDY. Sure.

Mr. HATCH. Do people pay the same premium under this program as they would for the Federal employees insurance?

Mr. KENNEDY. Yes.

Mr. HATCH. Actually, they do not for 6 years; am I wrong in that?

Mr. KENNEDY. Are you talking about the age adjustment provision?

Mr. HATCH. No.

Mr. KENNEDY. By the end of the phase-in.

Mr. HATCH. So you are talking about a 6-year phase-in before they can get the benefits of Federal employees program?

Mr. KENNEDY. That is exactly correct in terms of the premium payments, but the benefits are the same from day one.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. KENNEDY. Yes. Whatever time is going to be allocated on the other side. I saw the Senator from Wyoming earlier and I indicated to him I would not take long.

Mr. HATCH. I yield whatever time the distinguished Senator from Wyoming needs.

The PRESIDING OFFICER. Senators are not operating under a time agreement.

Does the Senator from Wyoming seek recognition?

Mr. WALLOP. Yes.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. WALLOP. Mr. President, it is a curious thing indeed what is happening here. The first thing that is happening is that rather than defend the Clinton-Mitchell bill, the other side of the aisle is attacking the Dole bill. And the curious thing about that is, the Dole bill cannot be before us under the rules that the Senator from Tennessee and the Senator from Maine have established.

We do not yet have a Congressional Budget Office scoring of the bill. The House wisely has gone home until they do have a CBO score. But the Senate excludes having a score, and therefore there is no way we can talk about this bill.

I would also like to comment on the Senator from Massachusetts' claims. Only in the Senate of the United States

is an option allowed to an insurance company called a tax. That is not a tax. It is an option. It is not mandatory. It is an option.

But what is mandatory, make no mistake about it, is that if the Secretary of Health and Human Services does not like the plan of a State, she imposes a 15-percent tax that goes not to the broker but to the Government of the United States. Therein lies the big difference.

But we are still in an irrelevant conversation, because, the way in which the majority leader has structured this debate, the Dole bill cannot come before us, because we have been denied, first, printing and then CBO scoring. So this is an exercise in parliamentary dominance by one person, the majority leader, who has foisted upon the Senate no fewer than 4,300-and-some pages over the last week and who insists that we all ought to know what is in this when he, himself, has not been able to know what was in it, or surely they would have included all that they needed to include in the first version of the bill. But some things have been taken out and some things have been put in and nobody knows what all of those are, and I include the majority leader himself.

So, let us be fair with the thinking in front of the American people.

Over the past week, we have heard the First Lady, the majority leader, the President of the United States, and others reproach the Republicans for not wanting to debate health care reform. Now we are being reproached for wanting to debate the health care reform. Now we are being reproached for not agreeing to the majority leader's request to begin voting on his timetable for amendments. We are called obstructionists. We are told we are undemocratic. We are told we do not care about the American people. We are told that the only thing we care about is politics but that the President's agenda is not political.

Mr. President, anybody watching American politics knows that the President's agenda is no less political than the agenda of everybody else. He is, after all, the leader of his party and he has chosen to make health care reform a political and nonbipartisan effort from the beginning.

Members on the other side of the aisle are being asked to vote out any health care bill to save and conserve the Presidency. The Democratic leadership wants to pass the bill before the November elections, and it does not really matter what the bill says or what it will do to the American people. The Senator from West Virginia, I think, explained it the best when, in an interview, he said, "The American people are going to have health care reform whether they want it or not."

Now all of these accusations are offensive to us in elected office who lis-

ten to our constituents and are here to represent their views and seek to do so even if those views do not happen to comport with those of the Senator from Maine or President Clinton.

The debate on health care reform is a philosophical debate. It is a debate which clearly delineates the differences between Republicans and Democrats over the role of Government in our individual lives. Republicans are unwilling to rush this debate, not because we do not want to have health care reform, as the Democrats cry, but because we are unwilling to vote for a health reform proposal that is philosophically opposed by our constituents.

Let me put, if I can, the issue of reform into some sort of perspective.

If I look back on nearly 18 years in the Senate, there are three defining moments in this period.

The first was in 1981, when the Senate approved the Reagan economic revolution, a program which included reductions in Federal income taxes, reductions in domestic spending, and increases in our national defense budget.

The second was the defeat of socialism, graphically illustrated by the fall of the Berlin Wall and the collapse of the former Soviet Union.

The third event is the current debate on national health policy.

All three are linked by a common thread. All are attempts to define and to limit or, in the case of the latter, to expand the role of central government planning in our lives.

Reaganomics was an attempt to let people keep the resources they created through their private initiative, rather than allowing the Federal Government to collect and expend these resources. By limiting tax revenues, it was hoped that we would limit the growth of Government, because taxes and taxes alone are the means by which the Government gains the power over the people of this country. We were frustrated by Democrats in Congress who insisted on expanding Federal spending through deficit financing.

The fall of communism was a repudiation by the people of Eastern Europe and of Russia of the failed ideology of centralized government planning; and the defeat of the philosophy was combined with the fiscal defeat of the centralized government when we faced a socialist regime in Baghdad during the gulf war.

And now we are being asked to approve, with minimal debate—and I say with minimal debate, notwithstanding the promises of the Senator from Maine, the majority leader, who, at the beginning, said no Senator would be curtailed and is now seeking to curtail us. But, most important, we are being given little time to analyze the most massive explosion of Government—maybe in this half century. The Clinton-Mitchell bill will transform one-seventh of our economy, by creating 50

new bureaucracies and at least six new open-ended Government spending programs; by creating new subsidized entitlement programs that will cost \$1.4 trillion between the years 1995 and 2004—in that decade, \$1.4 trillion.

It will increase Federal taxes by \$300 billion over the next decade, paid for by 83 percent from middle-class Americans who will find themselves not only paying more taxes but higher premiums for their health insurance. It proposes almost \$1 trillion in unrealistic cuts in Medicare and Medicaid.

These true costs do not vanish because we cut them. They go directly onto the backs of the rest of Americans who pay for health care. By cutting Medicare and Medicaid you just do not simply eliminate the fact that a procedure costs a certain amount of money. And if it is not paid for by the Government, then it is going to be paid for by the hospitals and doctors who perform them, and who ultimately transfer those costs onto the backs of the premium payers, insurance companies, and individual Americans seeking health care. It goes to the middle class; it goes to small business.

The health care proposal now in front of us represents a reversal of recent successes against Government centralized planning and control. There are some in Congress who believe that any issue arising in the country must be resolved by creating a new Federal program. There are some in America who, every time confronted with discomfort, say, "Why does the Government not do something?" There are others of us, however, in America, who believe that solutions cannot only flow from Washington; that neither the private sector nor the State government have the ability to solve problems because it is controlled by the Federal Government, and we have witnessed how successful the Federal Government is at the rest of its efforts.

There are, unfortunately, those in Congress who subscribe to a "big nanny" philosophy, and they are the same people who have drafted the health care plan now being debated. "That we Americans have not the ability wisely to choose what is good for our families, what is good for our employees, what is good for our country. We must have this group here in this Senate and in those bureaucracies doing it for us because we are not to be trusted. Only inside the Beltway resides wisdom"—so those people would think.

The health care reform debate is a true turning point in this country. That is why it is important to analyze it fully and accurately. And there is no going back. We step off this ledge into Government controlled health care and there is no turning back.

We have only to look at the amendment that is now before us to accurately predict what is going to happen.

Once you get a standard benefit package there is no end to the bidding—no end to the bidding. There is always somebody who is going to want something in that standard benefit package. Ask those in Hawaii who now find their health insurance program too expensive for the State to support. Because year after year, session after session, everybody politically bids up what is contained in that package.

The fundamental issue, therefore, that we must decide, is whether we believe in a bigger Government, or in a wiser and more empowered people; whether we will be ruled by an anonymous bureaucracy which has the power to levy taxes or assign them, which has the power to limit choice—or whether democracy will continue to be our form of Government.

Those who believe the Federal Government is the solution of our health care problems will vigorously embrace the Clinton-Mitchell bill. Those who believe, as do I, that our health care problems can be solved better by relying on the common sense and abilities of the people, are the people who will support the Dole-Packwood health care alternative, or some involvement which solves the basic problems which face Americans—that of access, portability, preexisting condition, and the issue of malpractice and simplicity.

Government slowly, slowly, slowly has been overtaking our lives. In one generation, Government has doubled the amount of money that it takes from Americans and it has increasingly used that money to deprive us of control over our own lives. In the same time it has turned our public spaces over to criminals and our public schools into factories—yes, of ignorance. Government has driven us apart on the basis of race, and even of sex, and in the name of tolerance has made us almost the most intolerant country in the world.

Throughout the world, big government is in the crisis of legitimacy. In South America there is a rush to privatize Social Security and Medicare, to privatize the State corporate structure. The Japanese, recognizing that their industrial policy has bred corruption as well as inefficiency, are deregulating their economy. Europe's welfare States, that spend more than half of their GNP, are collapsing and dragging the mainstream parties down along with them. Look, for example, at Germany and its health care plan which is, in effect, the Godfather of the Clinton plan. And in fact, the First Lady is the one who has said that she would like us to look more like Europe.

According to remarks in a Wall Street Journal article by Wilfried Prew, Chief Executive of the Hanover Chamber of Commerce in Germany, the German plan provides near universal coverage but at great losses of efficiency. The average premium payroll

tax is 13.4 percent, paid for by every working individual. The German alliances, originally devised as nongovernmental health purchasing cooperatives, have degenerated into de facto government agencies with 112,000 employees working for these alliances.

The administrative cost of the cooperatives have risen 53.5 percent from the last decades—more than the measure of the alliances total health costs. As Prew notes, "These costs reveal that the disease of bureaucracy is the real problem". Hidden taxes are also an integral part of the German plan. A 50-percent employer mandate results in labor costs that make Germany the second most expensive place to employ people in the world. It is also a country that has significantly higher unemployment rates than does the United States.

Financially, the German plan has vacillated between financial distress and collapse, and the Government has intruded with ever tighter regulations, including price controls and access rationing. The German health care costs are rising rapidly and Germany has taken some stopgap measures to control them. But major health care reform will be undertaken in the coming years. They have no choice. Germany is searching for a way out, to have less Government control and to establish some market orientation. Incidentally, many people are now going to the Eastern European States for their dental care because it is cheaper and you can get it right away, without waiting in line.

So, why is it, as other governments in the world move away from socialization and toward market-based programs, our Government is trying desperately to move toward it?

Let us talk for a moment about the issue of choice. For years, health reform has centered on the question of how health care can be provided efficiently and effectively. But there has always been something missing in this debate, which has doomed efforts at cost restraint and access. That is that we have focused so dogmatically on how we can expand access to care while controlling costs, that we forgot the critical element in a free market-based economy—choice. We have not had it.

If the market is to work, individuals must have the ability to choose, to make decisions, to accept responsibility—a key word in a democracy, Mr. President: Responsibility—accept responsibility for their health care.

Some would argue that responsibility and choice are unnecessary, that the Federal Government will assume all responsibility and make our choices for us. That will never work with the American people.

It may be what is imposed upon us, but because it is imposed, does not mean that it works. It is the focus of the Clinton-Mitchell bill. Government

under that bill would assume responsibility for defining the standardized health package that we will have, for telling us how we must purchase it through mandatory HIPC's, or by forcing employers with less than 500 workers to buy at community rates instead of self-insuring, or by making experienced rate plans contribute to a risk adjustment pool supporting alliance.

Incidentally, this is where the President of the United States is absolutely wrong in his statement that we will have choice. You cannot have choice if you are to be fined for exercising it. You cannot have choice if your employer is to face a \$10,000 per employee fine for offering either less or more. You cannot have choice by telling us that we must purchase insurance through an individual mandate, for telling businesses that they must provide insurance for us.

The Clinton-Mitchell bill contains at least 23 new mandates on employers, employees, individuals, and States. Public policy over the past 25 years has been driven by the demands called entitlements. We have established by the President of the United States an entitlement commission whose job is to seek ways to find relief for the American taxpayer, economy, and Government from the dictates of entitlements.

Incidentally, these are figments of Government fantasy, not the Constitution. Nowhere in the Constitution does it say that any American is entitled to the earnings of any other American. These are things we have done to ourselves. Yet, in this program, we are establishing a number of new entitlements.

People have been permitted to engage in whatever activity they choose without assuming responsibility for it under the health care system that exists in this country. Indeed, they have come to expect from the State and the Federal Government the performance of functions traditionally reserved for heads of households. The expanding entitlement society is destroying the sense of personal responsibility and of collective responsibility and of community responsibility. After all, if the Government is going to do it, why should I be charitable? If the Government is going to do it, why should I seek any other resolution? And why should I care who exercises the choice to be entitled to the money that I and my fellow citizens earn?

The expanding entitlement society has destroyed this sense of personal and collective responsibility, and there is no more evidence than in the area of health care. Under the Clinton-Mitchell bill, the individual is now entitled to standard benefits provided by the Government through new mandates on the society. The expectation exists that there is a right to health care. The President has stated it; advertise-

ments have stated it. But there is no such right—there may be an obligation, there may be a sense of that obligation—but nowhere in the Constitution does it say that the Government of the United States must provide every American, no matter what that American does, with all he wishes in terms of health care.

Under Clinton-Mitchell, there are attempts to provide coverage to the 23 million uninsured by providing subsidies to benefit 100 million. How does that work, Mr. President? Twenty-three million are uninsured; subsidies for 100 million. Whose pocket is robbed to pay that? I guarantee you that many of those who are going to be subsidized will be having the other hand in their pocket taking it right back out on the other side.

The costs of these subsidies will be borne by those unlikely enough not to receive a subsidy, mainly the upper portions of the middle class. It is time, therefore, to restore the idea of responsibility to the health care debate. Responsibility means making decisions. For instance, each of us decides whether or not to maintain a healthy lifestyle, to exercise, to refrain from smoking, to drink moderately; or the opposite.

As a recent article in the New England Journal of Medicine indicates, such decisions to accept greater responsibility for what the authors call "demand reduction" would reduce annual health care expenditures by almost 20 percent. That means \$180 billion.

Mr. President, the Government of the United States cannot have lifestyle police. It cannot. It cannot have somebody watching each of us in the closets and in our rooms to see if we sneak a cigarette or drink an extra martini or do not get enough sleep or eat too few carrots. They cannot do that to us. So by imposing all of this bureaucratic regime on top of us, competition and choice is eliminated—something which is available in the private insurance marketplace.

Another decision which most people cannot now make and which is a problem, and that has been cited by those on the other side as well as on this side, is that most people cannot choose the health insurance plans they are provided by their employer, or by their States. They can choose not to have the one by their employer. In fact, I, indeed, could choose not to have one by my employer and have one by my wife, who is self-employed and provides it for her employees.

But most Americans receive health insurance coverage through their employer, and the employer chooses that plan. But the employee has no choice on the benefits of which the insurer will provide. There is no choice; therefore, there is no responsibility, and little cost for the employee. But there is

also no option. If a benefit is covered, use it; if it is not covered, forget it, I am not going to do it because nobody is going to pay for it.

No wonder individuals feel they have a right to health care, an assertion which ultimately turns free-market economics upside down. And the lack of choice is only exacerbated by the Clinton-Mitchell bill which has Government mandating the purchase of plans and defining the benefits included in those plans and not allowing us the options of choice as employers or employees—low-cost plans, high-benefit plans, one is taxed, the other is disallowed.

If the Government takes responsibility for all of these, how are we to expect individuals to exercise it on their own?

What must be understood in this so-called right, this false notion of security, is that it comes with a price: A price in freedom and a price in coverage. In exchange, individuals on a Clinton-Mitchell regime will be given reduced coverage, increased premium costs, and increased taxes—I will examine that now—but more importantly, freedom and liberty will be lost through the imposition of 50 new bureaucratic regimes that will impose so many rules and regulations that bureaucrats, not individuals, will tighten the existing controls that they have over our lives. And who knows where these people derive their power, or who they are when they exercise it?

There are a number of aspects in the Clinton-Mitchell bill which reduce coverage. A new high-cost premium tax I mentioned that CBO says, and let me quote—incidentally, CBO was not kind to the Clinton-Mitchell bill. It basically said that it would achieve some goals and it was revenue neutral, but thereafter, it slammed it in almost every corner it could find. Let me give you the first of those.

The new high-cost premium tax would be difficult to implement. Its contribution to containing health care costs would be limited and it might be considered inequitable and an impediment to expanding coverage.

Some health care reform: Inequitable and an impediment to expanding coverage and difficult to implement.

New Federal and State premium taxes will add 17 to 42 percent to the cost of buying a health plan.

Some cost containment.

Standardized benefit packages would make illegal many cost-effective products now on the marketplace.

Small employers, those with fewer than 25 employees, who currently offer health insurance, would not be willing to offer more than 50 percent of the cost of the insurance because, otherwise, the employees become ineligible for the subsidies. What kind of a crazy thing is the Government going to do when it actually says that it wants employers to do these things—and many of them are, and those are the people

they cite—and then turn right smack-dab around and say, "If you give them more than 50 percent, the Government will not subsidize." No rational employer is going to give more than 50 percent.

Another thing. In order to achieve this massive coverage by the Federal Government health care plan, we have the possibility of a State-by-State mandate. The distinguished President occupying the chair is from the State of Colorado. They might well make the Government requirement for coverage. There is no way that it can happen in the State of Wyoming or any other rural State. And those in my State go under a mandate and perhaps those in the State of Colorado do not, or perhaps both of our States and the States of Kansas and Nebraska do not. Our employers are going to be shopping the area to find the cheapest place to employ people. But what does that do to the economy of the United States when the Government by exercising a willy-nilly mandate begins to put inequitable positions on the employers in our several States?

Mr. President, there is this magnificent assumption somehow in the minds of socialists that society is ultimately perfectible and that we are all essentially sheep and we have no human responses to its efforts.

If firms with 25 employees or less are not to be covered, who will be so unwise as to hire the 26th employee? How does that add to jobs in America? If your penalty begins with the 26th employee, the best thing you can do is start another company, if you want more employees. People will respond to the artificial stimuli that are contained in this ridiculous piece of legislation because the Government is interfering, choosing amongst winners and losers, States, individuals, employers and all kinds of things. It chooses, chooses, chooses, and it assumes that none of us are wise enough to have a human reaction to the opportunities that are put in place by those choices.

We constantly hear that the Clinton-Mitchell plan is necessary to help the middle class. But under that plan direct new taxes and hidden taxes, still taxes, if you will, on premiums will both shift and increase the cost of health insurance onto the backs of the middle class.

There are at least 17 new taxes, some have said 18—and I believe that 18th to be the most insidious of them all—in the Clinton-Mitchell bill. They raise \$300 billion. The one new tax that is not listed on here is that if the Federal Government does not choose to accept your health plan, it imposes its own and then charges a 15-percent premium on every insurance policy sold within that State. That is not the Congress levying that tax. That is the Secretary of Health and Human Services.

There are many other hidden taxes and State taxes that will add to the

premium costs and increase these middle-class taxes. Two-thirds of the new Federal taxes, \$200 billion, fall squarely on the shoulders of 83 percent of all Americans through higher costs on health insurance premiums. Two-thirds of it goes right on health insurance premiums that people now pay. The 25 percent high-cost plan costs \$70.4 billion.

In other words, if your employer seeks to provide more health insurance than a target premium cost, you get a 25-percent tax on that premium. A 1.75-percent premium tax raises \$74.3 billion, and the repeal of cafeteria plans and flexible spending accounts costs \$46.8 billion. These are things that Americans now have for which they will be taxed.

Let us talk about them. The high cost premium tax, \$70.4 billion. A 25-percent excise tax is applied to community-rated and experience-rated health plans that exceed a certain target cost. This is touted as cost containment, Mr. President. This tax, according to CBO, will do little or nothing to contain health care costs and might impose an impediment to coverage. Some kind of cost containment. Virtually all plans would be subject to the 25-percent tax. This tax is really a sick tax. You can use that in either way. It is a sick tax or a sick tax.

Perhaps someone from the other side of the aisle might in their time explain it differently. But it appears to this Senator that some of the plans which will pay the highest taxes are those that have an inordinately high number of sick and older individuals. These are the plans that by definition have to raise their prices the most to cover the high levels of provider reimbursements.

In other words, you are going to have certain levels. They have a certain inequitable portion of either the aged or the unwell, and they have to raise their premiums to cover that, or cease to provide it altogether. And guess who gets to pay it? The sick and the aged and the unwell. I understand that there is a risk adjustment mechanism to compensate plans that have adverse health selection, but it is my understanding that no such risk adjustment mechanism currently exists.

The American Academy of Actuaries, when analyzing the President's original risk adjustment mechanism, which may be actually less complicated than that of the Senator from Maine, stated:

Such mechanisms can never be expected to be fully effective. Further, the current state of the art in risk adjustment falls short of meeting the requirements of the act.

So if risk adjustment does not work, Mr. President, then this tax clearly penalizes the elderly and the ill. But that is not all. The tax applies to community-rated plans in 1997 but will apply to large self-insured employers following in 2000. Most small businesses pur-

chase insurance in the community-rated market.

I ask the supporters of the Clinton-Mitchell bill, why should small businesses have to pay the tax now when big businesses will not have to pay for another 3 years? Is this fair to the small business employers of America? Is this not a subsidy to big business by a Democratic administration claiming to be on the side of the little people in America? And since there are no constraints on large employers for 3 years and the premiums for those employers are based on their health expenditures during that period, you have to ask the question, will not this seriously undermine the incentives for these plans to economize before the year 2000, as CBO suggests?

In fact, the incentive does quite the opposite. Insurers have the right to collect 50 percent of the cost from providers as long as the amount does not exceed the provider's disproportionate share. That is a very interesting little complication in life right there. Maybe someone will be able to explain to me and the Senate how an insurer is going to go about collecting these fees. How is it possible, Mr. President, to recover 50 percent of the tax in a timely and efficient manner when the provider's proportionate shares are based upon factors not known until the time beyond the end of the next tax year? How is that going to be?

What we have done is not only provided an unfair tax, a monstrously complicated tax, but somebody is going to be fined for not complying with it when it is impossible yet to achieve compliance.

And then, Mr. President, why should the low-cost provider have to reimburse the plan's sponsor for 50 percent of the tax imposed because of the excess charges of high-cost providers?

So what you have done is you have simply said to everybody, go for the gold. Make it as rich and expensive and as nasty as you can because if you are a low-cost provider you are going to be subsidizing the high-cost providers and nobody is going to be able to figure out how to collect the tax.

How much additional administrative expense do you think will result from this giddy collection exercise? Even CBO stated that this tax will result in litigation expenses. And is it even appropriate for health plans to play tax collector when you are trying somehow or another to make the system more efficient, to bring the costs down? You are adding administrative and legal costs. There is no end to the complication and to the furor that this plan and this tax will impose on our society.

The fee-for-service plans, which allow unlimited choice of providers, are generally more expensive than network-based plans and this tax will make the fee-for-service plans even more expensive and potentially unaffordable all at

the same time the President and Senator MITCHELL promise us we are going to have choice. So the fee-for-service plans under which you have choices are going to be driven up because the taxes are higher and potentially unavoidable. It simply denies consumer choice of providers. Overall, this high-cost plan tax will tax cost efficient plans more than inefficient plans. A funny thing in a country that seeks expertise. The worse you are, the less you pay and the better you are, the more you pay.

Mr. President, does the Senate really want to go down that road? Is that really what we are up to?

The sponsors of the tax claim that its purpose is to reduce health costs. But it is hard to see how raising premiums makes health insurance more affordable when talking about the 1.75 percent tax on every health plan to provide for more teaching hospitals. This tax is applied to all gross premiums. So straight across the board, everybody's health care costs in America goes up 1.75 percent. It raises \$74.3 billion out of purchasers of health insurance over the decade, and falls directly on the middle class.

The Joint Tax Committee has prepared a distributional chart which shows this tax clearly falls more heavily on the middle class. In 1999, 54 percent of the tax increase will be paid by people with incomes of \$50,000 or less and 79% by people with incomes \$75,999 or less. The 1 3/4 percent tax will increase the taxes of individuals with incomes between \$20,000 and \$30,000 by \$1,178; between \$30,000 and \$40,000, by \$1,303; between \$40,000 and \$50,000, by \$1,099; between \$50,000 and \$70,000, by \$1,955, nearly \$2,000. Some savings, Mr. President.

This new tax is not in any way related to making health insurance available to the uninsured. In fact, what it serves to do is further increase the premiums of the already insured. It has been linked to new spending for medical education. Yet, while it raises the costs of premiums for everyone by 1.75 percent, it more than doubles current funding for medical education.

Is the purpose of health care reform to tax Americans into doubling their contribution out of their own pockets to medical education, at the time as everybody is saying that we are producing too many doctors? It is bizarre, Mr. President.

It is my understanding that funds currently available under Medicare are transferred into new trust funds: The Academic Health Center Trust Fund and the Graduate Medical Trust Fund, and others.

These transfers total \$71.1 billion over the next decade. But according to CBO, the tax raises almost \$11 billion more than is claimed to be spent on these programs. So here is a nice, new little tax increase for Americans. Even if they support it going to medical edu-

cation, it gives \$11 billion more to Government; just to Government. It is not directed.

It is nothing more than a convenient revenue raiser that can be increased every time the Government runs out of money to meet its commitments, all while we are calling it "medical education." We will raise it another quarter percent. We are already \$11 billion more than spent. What the heck, let us give you another \$20 billion.

Mr. President, this is hiding real taxes from American people in a most irresponsible way.

So I find it extremely difficult to understand how the bill is supposed to cut costs when all it is doing is increasing the cost of private insurance. I had thought that the majority leader indicated that the plan was necessary to avoid premium increases. Yet inherent in the majority leader's plan are several provisions which drive premiums up.

Now we have a wonderful provision. Our States are allowed—the words used "are allowed" to raise their premium taxes by 1 percent to pay for new administrative expenses which they are not allowed to avoid.

Where is this Congress coming from that it says that our States are allowed to raise taxes to cover expenses that we impose upon them? What is wrong with the concept that the country was founded on the notion that these States are sovereign, and that we here in Congress derive our power from the States, not the States from the Congress? What a bizarre distortion of American political philosophy.

The Clinton-Mitchell bill allows them to cover the costs of administering, and nobody believes that what they will be allowed to do will be enough. So the States are going to raise premiums another 1 percent. But we will not be blamed for that. Clinton-Mitchell will not be blamed for that. The States will be blamed for paying for things that we are requiring them to do.

First, the Clinton-Mitchell health proposal would be forced on the States. As CBO states in their report, "[it] would place significant responsibilities on States for developing and implementing the new system." Then we tell them to raise taxes to pay for the cost of administering their new duties which we, who derive our power from them, are imposing upon them.

The States, Mr. President, will have 177 new responsibilities under this plan, including determining eligibility for the new subsidies and continuing their Medicare program. Administering the subsidy and the Medicaid programs, establishing the infrastructure for the effective functioning of health care markets, and regulating and monitoring the health insurance industry. According to the CBO report—again this very thin praise which accom-

panies the Mitchell bill—"it is doubtful that all States would be ready to assume their new responsibility in the time frame envisioned in the proposal."

So what happens, if they are not ready to assume their responsibilities? Guess what? The Secretary of Health and Human Services assumes those duties for them, and imposes a 15-percent tax on all the premiums. That is a 15-percent tax that goes on every health plan premium in the State where the Federal Government takes over. CBO says the States will have difficulty meeting their responsibilities, and yet we blithely go along, and say, "What the heck. They cannot do it. That is 15 percent more for the Federal Government. We will do it for them. We will run their plan and impose a tax on them." Goodbye States rights. Hello Washington.

If Secretary Shalala determines that a State health system does not meet requirements from her view of the insurance coverage, then she takes over the State system. If she takes them over and runs the plan, she increases the premiums by 15 percent to pay for the administrative expenses of the Secretary. The complaint the Senator from Massachusetts was making a little while ago is that the insurance companies might be allowed to impose a fee. That is a big difference. One is an option, and the other is a tax imposed by a nonelected, but appointed, bureaucrat.

Now we have the disallowance of current tax-free health care expenditures made through cafeteria plans and flexible spending accounts; another \$47 billion out of the pockets of Americans who buy insurance. A few more billion out of cafeteria plans—plans that allow individual Americans to make the choice of the coverage they wish to have.

Mr. President, I have stated before that it is conceivable that my wife and I at this stage in our lives will not need obstetric care. It is even more conceivable that the care that I might want would be hair transplants and hearing aids. Should I not have the choice to have that instead of the obstetric care which we no longer will have use for? Not according to Clinton-Mitchell. Cafeteria plans are out. It is a sin to provide yourself and your family what you believe to be necessary to their well-being.

Flexible spending accounts, whereby some insured have a high-cost deductible, figuring that they can take care of the first \$1,000 or \$2,000 of their medical expenses, in exchange for a really good catastrophic plan. Oh, no. That will not be allowed. You are penalized \$10,000 an employee if you provide your employees more than the Government says that you are entitled to have.

This is a fine Government that comes along and says to employees, and families, "I don't care if you want it."

(Mr. BYRD assumed the Chair.)

Mr. WALLOP. You may not have it without extraordinary, new penalties. Clinton-Mitchell eliminates those options and again increases the out-of-pocket costs of middle-class Americans, and eliminates their choice and their right.

Now, the risk adjustment. An egregious hidden tax is this adjustment which requires all employers with over 500 employees to participate in a risk adjustment pool with individuals and small employers in each State. The risk adjustment provision forces self-insured employers, who may have lowered their own costs, to pay higher insurance rates to subsidize the higher risk of other employers.

Why, if we have done something well within a corporation of mine, should we be required to subsidize the risk of the employers of another corporation that does nothing to contain their health care costs and the risk of their employees? By shifting these costs, it is no different from a payroll tax increase. Once again, the healthier the plan, the more efficient the plan, the better you are—under the Mitchell-Clinton bill—the more expensive it will be. Those who are good and efficient now had better see to it to get bad and inefficient. It certainly is in your own best interest, because it will be cheaper when it all rolls in.

The bottom line is that the middle class gets socked, and socked heavily, with the distributional impact of the four taxes in the Mitchell-Clinton plan—1.75-percent premium tax, increase in Medicare part B, disallowance of cafeteria and flexible spending accounts, the tobacco tax increase, offset by the 50-percent deduction for self-employed. Joint Tax found that 60 percent of all taxpayers with incomes of \$50,000 or less will pay the higher taxes. Some 78 percent of taxpayers with incomes \$75,000 or less will also pay the higher taxes. Incomes between \$20,000 and \$30,000 could pay \$3,000 more a year. Between \$30,000 and \$40,000, you could pay \$3,100. Between \$40,000 and \$50,000, \$2,690. Between \$50,000 and \$75,000, \$3,800. Those are big tax increases, Mr. President. And they do not reflect all of the tax increases mentioned above that will come from the States or the 25-percent premium taxes.

The Clinton-Mitchell plan does not stop at increasing premium taxes. It also includes a number of hidden taxes that will further increase the costs of health insurance. Companies with 500 or fewer employees are forced to purchase insurance through a community-rated pool. This means that smaller companies who may now self-insure, or may have efficient plans, will have to pay for insurance that will be significantly higher than they now pay and will not be allowed to self-insure—that is too much independence from great Uncle Sam—will not be al-

lowed to do something on their own; will not be allowed to be accountable and responsible and to work with their employees.

It increases costs on all the insured, everybody in America, by forcing them to cover more benefits for subsidized people than they receive from the subsidies. Guess what, Mr. President? Not only are these people from the healthier and more efficient plans being asked to subsidize other people, but the cost assessed them for that subsidy is more than the subsidies. So it is a cute, hidden little tax that is going on the middle class, and it is no small figure.

Under our current health care system, Medicare accounts for two-thirds of the cost shifting that occurs. Guess what? We are proposing to reduce Medicare again. Nobody does anything about the cost that Medicare incurs. Instead, the cost is just shifted onto the backs of those who are already healthy and employed.

The Clinton-Mitchell bill proposes to cut Medicare by \$200 billion over 10 years, with all of the costs, or most of them, falling on the provider. Are the providers to shoulder that entire tax, or does anybody suppose they might portion it out to those to whom they provide? Look at the reality of this. Nobody is going to pick up \$200 billion all onto themselves when they have the option of spreading it out. Guess who gets it when they do that? Middle-class America, employees and employers of the small and productive sector of this great country.

So instead of solving the cost shifting problem, as the majority leader is so quick to claim, his bill actually exacerbates the already existing problem.

A recent Wall Street Journal article by Martin Feldstein found that this will result in at least a \$13 billion annual tax increase. But the cost-shifting problem does not stop there. Under the Clinton-Mitchell bill, Medicaid is cut \$788 billion over 10 years. These two cuts total almost \$1 trillion. Medicaid beneficiaries not receiving SSI or Medicare would be integrated into the Federal subsidy program. These recipients are placed in the community-rated pool with small businesses and individuals. Guess who shoulders that expense? By cutting Medicaid, it does not disappear as an obligation for somebody to pay it. That is the great boondoggle that is contained in this Mitchell-Clinton bill.

Incidentally, we have never been able to achieve the cuts claimed. My guess is that we will never see the day when we do. So, either way, it is going to be the Federal Government who is the biggest imposer of health care cost shifting, whether or not we pass this bill.

The Government would pay the subsidies for these beneficiaries, and if the subsidies do not meet the costs, guess

what? The insurance companies and, therefore, everybody else they insure, will end up paying the difference. According to Feldstein, this cost shift could end up costing \$29 billion a year.

Increased premium costs for younger workers. Perhaps one of the nastiest, most unfair, egregious hidden taxes of them all. As Robert Samuelson starkly stated in the Los Angeles Times on the 10th of August, it is a "multibillion dollar tax on younger workers." It occurs because of community rating, which requires everyone to pay the same rate of insurance regardless of age. Guess why AARP is so willing to support the Clinton-Mitchell bill? According to a recent Washington Post article, young adults under the age of 35 will pay at least \$40 billion a year more to subsidize the middle aged, which translates onto the young workers as a 7-percent payroll tax increase—right smack dab out of the people just starting in life, wanting to buy a home or an automobile, or get married. A Neil Howe and Bill Strauss editorial in the Washington Post, called "A Hidden Tax on Young People," is the source of that information.

For example, a 27-year-old male who currently pays an average premium of \$788 would find himself paying \$1,485 under a pure community rating. That is an 88-percent increase. So I ask my colleagues, yes, we care about the aged and women and children; but do we care nothing about the young workers coming along and their hopes and dreams for houses and other things, along with the fact that they are inherently healthier than we are?

The administration, in its 1995 budget, declared that future generations could face taxes that are upward of 82 percent of income—82 percent of income—if spiraling health care costs and other entitlements are not brought under control. Yet the Clinton-Mitchell bill places the burden of health care reform squarely on the backs of future generations, without doing anything for cost containment. So what they have done is simply looked the other way and promised people something that cannot be provided.

We should not and cannot burden the future of America with today's health care costs. It is the job of this generation to leave to future generations a standard of living that was better than the one that was left to us. And we are dead set on denying people responsibility, choice, and most of all opportunity, by enacting this Clinton-Mitchell bill. We should not be squandering a standard, passing off costs we are too scared to face because they have political ramifications.

The American people are being deceived into believing that this Clinton-Mitchell bill will provide them security at no cost—security at no cost.

There is just a wonderful scam in the papers this morning, Mr. President,

about a bunch of people who bought wonderful travel opportunities at below costs, huge numbers of Americans seduced into buying something below costs. They got an extremely expensive lesson, but they did not get travel below costs.

That is what we are about in this process right here. We are about to give Americans an extremely expensive lesson that their Government cannot deliver to them something that costs them nothing, and we will do that by charging 83 percent of them more for their health insurance, every one of them more for their taxes. And for what? To create a \$1 trillion-plus Government subsidized program that will transfer the wealth of others to 100 million Americans.

We do not need to be subsidizing 100 million Americans, Mr. President. What kind of a country is it that says that 100 million of us are dependent upon our Government? Surely, we can reduce that figure to those who are truly in need.

Under the Clinton-Mitchell plan, health care costs do not decline but increase, according to CBO, not the Senator from Wyoming. They do not decline, but they increase according to CBO.

Is that where we want to go in the name of health care reform?

The Senator from Maine claims that the cost containment is when health expenditures remain at projected 21 percent of GDP and a few more people are covered. Medicare will have been slashed, taxes increased by \$300 billion. Yet health care costs continue to rise.

It was the very need for cost control that started this debate, Mr. President, and the plan in front of us does not even address the issue. The working middle class, which the Democratic leadership is so quick to tout will receive benefits, receive the least.

To end my statement where I began, the debate over health care is a debate on the role of Government in our lives and in America. Care must be taken not to squander liberty and freedom for the elusive promises of Government benefits, and that is what we are being asked to do.

We are being asked to give up things that we now take for granted, for a promise of security that the Government cannot deliver on.

There are certain periods in America's history when pivotal decisions are made regarding the role of Government and society. Those decisions have had direct and dramatic impact on lives of Americans and set the course of the Nation for decades to come.

Many of the problems we face today arise from decisions that were made during those periods. I believe we are at another of those crossroads today. If we embark on the course that President Clinton and Majority Leader MITCHELL set for us, we will vastly in-

crease both the scope of and the power of the Federal Government and the ability to wield influence in each of our individual lives.

Make no mistake, this Government does not seek to serve, but to control. Americans are frightened of it. We will let it control us at our peril.

Mr. President, I conclude my remarks and I ask unanimous consent that certain articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post]

#### A HIDDEN TAX ON YOUNG PEOPLE

(By Neil Howe and Bill Strauss)

At the core of health insurance reform lies an enormous hidden tax on youth. It's called strict community rating. Politicians don't discuss it, the media don't cover it, but this multisyllabic catch-phrase threatens to move at least \$40 billion a year out of the wallets of young adults (under age 35) and into the wallets of the middle-aged (age 45-64).

If strict community rating is enacted, you can ignore the talk about all the special "winners and losers" of health-care reform. The real issue will be generational. The big winners will be Clinton-aged Boomers now entering midlife; the big losers will be the young men and women now entering the labor force.

Community rating is a much-heralded reform that would prohibit insurers from charging different premiums for different individuals. In its "modified" form, it would simply ensure that no one can be charged higher premiums solely due to poor health or pre-existing conditions. This reform appeals to our sense of fairness and entails no systematic income transfer. But in its "stricter" form, it would require insurers to ignore all distinctions among individuals—including age—and charge a single community-wide fee.

The premiums an individual pays out of pocket or the health costs companies take out of a worker's compensation generally reflect this differential. After strict community rating is enacted, however, people of all ages will pay the same premium—probably, around \$2,000 per year for a single person. Presto! The 25-year-old pays 100 percent more and becomes a \$1,000 yearly loser. The 60-year-old pays 40 percent less and becomes a \$1,500 yearly winner. For family heads, the gap will be even wider.

If applied to everyone, strict community rating would mandate a total income transfer of at least \$40 billion yearly—flowing away from the 55 million adults under age 35 and enriching the 49 million pre-Medicare adults over age 45. This "reform" would be equivalent to a 7 percent tax on a typical young couple's combined wages. That would make it about as large as their personal FICA tax (through which the young are already subsidizing the health costs of seniors).

Such numbers are by no means hypothetical. Last year New York State instituted strict community rating for all small-group and individual insurers.

Though not all the plans before Congress agree on this measure, the general outlook for young people is bleak. The Clinton, Kennedy, Gibbons, and McDermott plans all pro-

hibit any age-based variation in the premium or taxes payable for all insurance policies covered by their plans. Average price tag: \$1,000 per young adult. The Chafee and Michel plans allow a little variation, but would still cost young workers about \$700 each. The Moynihan plan would allow an age variation up to a multiplier of two, thereby extracting roughly half as much (\$500) per young worker. The Rowland plan and the Dole plan (which allows premiums to vary up to a multiplier of four, close to the actual cost variation) are the only major proposals that would hold the young harmless.

Few national leaders have bothered to bring this massive youth tax to the public's attention. President Clinton has said that premium variations are unjust. If so, why for health insurance alone? Teenage boys pay four times more than their parents for auto insurance because they're four times as reckless on the road—and nobody says that's unjust. Some politicians argue that community rating, like Social Security, won't take anything from the young that they won't get back as they grow older. But this argument assumes that such young-to-old income transfers are forever sustainable (something most twentysomethings already don't believe about Social Security). It ignores the trillion-dollar lifetime windfall that community rating will bestow on Boomers (who incurred no corresponding cost when they were young). And it implies that most 60-year-olds are economically needier than most 25-year-olds (which is patently false).

Hillary Clinton has advanced the brassiest argument for picking the pockets of the young. One of the big problems with the current system, she says, is the health costs that millions of uninsured young people shift onto insured older workers. In reality, this effect is trivial, certainly when compared with the cost shifting by seniors with Medicare discounts. It cannot justify talking about community rating as an appropriate penalty for the irresponsibility of youth.

Given the political invisibility of today's young adults, strict community rating could well pass Congress. If so, brace for three consequences.

First, today's young generation will become even poorer than they are now in relation to the old. Already, according to the Census Bureau, the real median income of households headed by people under age 30 is 15 percent lower than it was when Boomers were their age two decades ago. With strict community rating, their purchasing power could fall by another 7 percent.

Second, the new health law could defeat its own primary goal: universal coverage. Since adults under age 35 are currently the least insured age group in America, this goal will only be achieved if young people start purchasing more insurance. Huge premium hikes will have exactly the opposite effect. (Over the past 15 months, the New York experiment in community rating has caused a 30 percent rise in policy cancellations by young males.) The only practical remedy to this problem would be to combine strict community rating with universal mandated coverage—which would seal young people into the system, force them to buy vastly overpriced insurance, and make them even more cynical about government than they already are.

The final and most spectacular consequence of strict community rating may be political. Right now, few young adults are paying attention to health care reform. But once community rating becomes law and young wallets are emptied, that will surely

change. Come 1998, people born in the '60s and '70s will comprise America's largest generation of voters. Once mobilized, they will start deciding elections. That's when those who taxed the young to enrich the middle-aged could get run out of office by those who find themselves stuck with the bills.

Everyone knows our health-care system needs change. Costs must be controlled. Poor families must gain access to doctors. Insurers must be barred from discriminating against the sick. All this can be done without forcing all young workers to pay far more for health care (and all older workers far less) than what they actually consume.

[From the Los Angeles Times, Aug. 10, 1994]

**RUBE GOLDBERG WON'T YOU PLEASE GO HOME; HEALTH REFORM: THE PATCHED TOGETHER BILLS WILL HAVE TERRIBLE SIDE EFFECTS, WITH YOUNGER PEOPLE PAYING THE HIGHEST PRICE**

(By Robert J. Samuelson)

Among other things, the Democratic health-care plans contain a large—and unjustified—multibillion-dollar tax on younger workers. You wonder whether most members of Congress know this or even care. The whole health-care debate is now completely out of control. The desperate effort to craft something that can be advertised as "universal coverage" means that Congress literally no longer knows what it's doing. Anything resembling the Democrats' bills, if enacted, would produce tremendous unintended side effects.

Apparently, most Americans grasp this. In a Newsweek poll last week, respondents were asked whether Congress ought to "pass reform this year" or "start over next year." By a 2 to 1 margin, they said start over. They sense that the versions of health reform crafted by House and Senate leaders are hodgepodes of conflicting provisions whose only purpose is to win passage. But what is clear to ordinary Americans is denied in Washington. In the capital, the fiction is that legislators know what they're doing and are debating rational alternatives.

House Majority Leader Richard Gephardt's plan, for instance, would create a Medicare Part C program for the unemployed, workers in small companies and many existing Medicaid recipients. The Congressional Budget Office estimates that the program might enroll 90 million people. But the projection could easily err by millions in either direction. More important, Medicare Part C emphasizes "fee for service" medicine (patients selecting individual doctors), while the rest of the bill emphasizes "managed competition" (reliance on health maintenance organizations and similar plans).

The bill would separate the under-65 population into two groups, mainly based on income and size of employer. Each group would be crudely steered toward a different type of medicine. In practice, this division may not be politically acceptable or economically workable. Gephardt doesn't know; no one does.

Now, consider the tax on young workers. It arises from "community rating." As people age, their health costs and insurance premiums rise. But community rating requires that everyone pay the same rate. This provision is included in the House bill and, in a modified version, in the Senate bill. The effect would be to raise insurance for younger workers (say, those below 45). If employers have to pay higher insurance, they will pay lower salaries. The invisible tax on young workers might total \$25 billion annually.

Questions swirl around both Gephardt's plan and Senate majority leader George

Mitchell's. It is hard even to describe Mitchell's plan. He says it's voluntary and lacks a "mandate." Wrong. True, it doesn't mandate companies to buy insurance for workers. But it does mandate a standard benefits package for firms—the vast majority—that offer insurance. Because the mandated benefits are above average, this would probably raise health spending. Companies below the new standard would increase benefits; those above would have trouble lowering them.

Next, Mitchell hopes to achieve 95 percent insurance coverage by offering subsidies for low-income workers to buy it. But there's a "fail-safe" mechanism to limit subsidies if the budget costs exceed projected costs. However, if 95 percent coverage doesn't occur by 2000, Congress could require employers to pay 50 percent of their workers' insurance. But this would apply only to firms with more than 25 workers. Got it? No one knows whether this would reach 95 percent coverage.

These plans are confusing because the health debate evaded the basic tension between expanding health services (universal coverage, etc.) and controlling health spending. It's hard to do both at the same time. The plans' complexities—as with the original Clinton plan—aim to disguise this conflict. Republicans haven't been especially constructive in this debate, because they haven't faced up to it either. But they are now correct that a bad bill would be worse than none.

Chaos is now the most important reality about the health-care debate. Dozens of provisions in these bills would have huge unappreciated consequences. John Shells of Lewin-VHI, a health consulting firm, says premiums for small businesses in the Mitchell bill could be 25 percent higher than for big companies. The budget office puts the gap lower. Who's right? Do most members of Congress understand the gap? Probably not. Still, the pretense is that Congress is making conscious choices.

The pretense is sustained because in Washington politics is sport. All attention fixes on who wins and loses—and the deals that enliven the game. Rhetorical blasts are taken for reality; political reporters know little of how legislation would work and care less. This often leads to bad laws, and in health care, the potential for blunders is huge because Congress is tinkering with one-seventh of the economy and most aspects of medicine.

In May, Robert Reischauer, head of the budget office, warned that trying to find a compromise by combining provisions from different bills might make the health system worse. He compared it to building an auto engine with incompatible parts: "You can't say I want a piston from Ford, a fuel pump from Toyota . . . and expect the engine to run." Well, that's what's happened. The contraption is part car, part tractor and part rollerblades. Most Americans seem to understand this. Will Congress?

[From the Washington Post, Aug. 9, 1994]

**A HIDDEN \$100 BILLION TAX INCREASE**

(By Martin Feldstein)

President Clinton is increasing the pressure on Congress to enact a massive and irreversible entitlement program to subsidize health insurance and redistribute income. The tax cost for this largest-ever welfare expansion would top \$100 billion a year at today's prices. That's equivalent to raising personal taxes across the board by nearly 20 percent.

Amazingly, the Senate Democratic leadership has managed to conceal this massive

tax increase from the public. The legislative wrangling and public discussion have virtually ignored the cost of financing this spending explosion. Members of the business community have been so eager to avoid employer mandates that they have not considered the tax consequences of the pending legislation. And members of the general public have been so concerned about preserving their ability to choose their own doctors that they have not focused on what these plans would mean for their individual wallets.

#### CBO ANALYSIS

Although the Democrats have yet to agree among themselves on the details of the final plan, it is likely to be closely related to the Senate Finance Committee bill. (The recent proposal by Senate Majority Leader George Mitchell that President Clinton said he would accept is essentially an expanded version of the committee's plan.) To understand the magnitude of the potential tax hike that would be required to finance such a plan, it's useful to look at the Senate Finance Committee bill and the recent analysis of it by the Congressional Budget Office.

Under the Senate Finance Committee plan, the government would pay the full cost of a standard private insurance premium for anyone below the poverty level and would provide a partial premium subsidy that declines with income between the poverty level and twice that income. The insurance premium would vary with family composition but would average about \$2,000 per person. A single parent and child would receive a subsidy with income below \$20,500, while a couple with three children would receive a subsidy with income up to \$37,700.

More than 60 million individuals would be eligible for subsidies in addition to the 60 million already covered by Medicaid and Medicare. The Senate Finance Committee plan would raise insurance coverage by about 21 million individuals, bringing total coverage to 93 percent of the American population.

The budget analysis prepared by the CBO never states its estimate of the total additional cost that taxpayers would have to bear to finance the new insurance subsidies. But the CBO figures do imply that the public would be paying about \$63 billion a year (at 1994 prices) by the year 2000 when the plan is fully operational, and estimates that I have made with the help of colleagues at the National Bureau of Economic Research indicate that the CBO figure understates the true cost by about \$40 billion a year.

Most of the \$63 billion tax burden implied by the CBO numbers is hidden in cost-shifting through insurance companies and providers of health services. Only a relatively small part of the financing plan is an explicit increase in the tax on tobacco products. A second small piece is a 1.75% excise tax on private health insurance premiums. Although this tax of \$7 billion a year (at 1994 levels) would be paid by the insurance companies, they would pass it on in the form of higher premiums.

These higher premiums would be a direct tax on individuals who buy their own insurance. Companies would offset the higher premiums on the insurance that they provide to their employees by keeping wages lower than they would otherwise be. The true burden of the premium tax would therefore fall on everyone who is now privately insured.

The largest part of the financing is a hidden tax that is built into the plan to replace the current Medicaid program for the poor by subsidized private insurance. Medicaid

provides much more generous benefits than the proposed standard insurance package, since Medicaid covers a broader range of services and has no out-of-pocket copayments. Although the government would pay the insurance companies the same subsidies for former Medicaid beneficiaries as it pays for everyone else, the proposed law would require the insurance companies to provide those who are currently eligible for Medicaid with the much more expensive coverage that they have today.

That complex maneuver would save the government about \$29 billion a year on the current Medicaid program and would add that amount to the annual costs of the insurance companies. The insurance firms would in turn shift it to everyone who is privately insured in the same way they would shift the explicit premium tax.

A second very large hidden tax would result from reducing government payments to hospitals and other providers of Medicare services without any reduction in the care that they are expected to give. As a result, the hospitals and other providers would just raise their prices to patients and insurance companies. In the end, it would be the privately insured individuals who bear those costs in the form of higher insurance premiums and lower wages. At 1994 levels, this cost-shifting burden is equivalent to at least a \$13 billion annual tax.

In short, buried in the CBO numbers is a projection that the Senate Finance Committee plan would have a \$63 billion annual cost (at 1994 price levels) and that all but what the CBO estimates to be \$14 billion in cigarette levies would be obtained by hidden taxes in the form of cost-shifting through health care providers and insurance companies.

It's remarkable that the same politicians who have produced this \$49 billion in hidden cost-shifting have the audacity to say that the public should support their plan in order to eliminate the much more limited cost-shifting that occurs under the existing system as hospitals pass on the cost of free care. Indeed, to the extent that hospitals are already giving free care, the increase in formal insurance coverage gives that much less to the currently uninsured and confirms that most of the plan's cost is to achieve income redistribution, not expanded health insurance.

The CBO report is careful to note that its estimates are "preliminary" and "unavoidably uncertain," and fully half of the report is devoted to discussing why there is "a substantial chance that the changes required by this proposal—and by other systemic reform proposals—could not be achieved as assumed."

My own analysis confirms that the CBO's caution is justified and that the CBO estimates understate the likely annual cost by at least \$40 billion that would eventually have to be financed by higher taxes. A key reason is that there is no way to limit the premium subsidies to those who are currently uninsured. Those who are now buying their own insurance would automatically receive the government subsidy. Those who now receive insurance from their employers could qualify for an insurance subsidy by switching to an employment situation that paid higher cash wages instead of providing health benefits.

That subsidy would be worth a very significant \$2,000 for a single mother with a child who earns \$15,000; if she earns \$10,000, the subsidy would be worth more than \$4,000. It wouldn't take long for employers and em-

ployees to recognize that some combination of new pay arrangements, explicit outsourcing of some work, and individual job changes would be handsomely rewarded by the government.

There are now more than 30 million individuals who could qualify for a subsidy. The CBO estimate recognizes that the roughly six million of them who now buy their own insurance would receive government subsidies. But when it comes to those who are already insured by their employers, the CBO assumes that only about one-fifth of the income-eligible group would eventually choose to qualify for the subsidy, leaving \$27 billion of potential subsidies (at 1994 levels) on the table. It seems totally implausible to me that employees and employers would permanently pass up subsidies of \$1,000-plus per person that they could get by relatively easy changes in employment arrangements. When they do choose to qualify, taxpayers would have to pay an additional \$27 billion to finance the plan.

The CBO calculation also ignores the effect of the subsidy phase-out between poverty and twice poverty on the incentives to work and to report earnings. The phase-out rule that gives a woman with a child \$4,660 of subsidy when she earns \$10,250 and then takes away more than 40 cents of subsidy for every extra dollar that she earns is a powerful incentive to work less and to shift work to the underground economy.

The CBO's report acknowledges that "the effective marginal levy on labor compensation could increase by as much as 30 to 45 percentage points for workers in families eligible for low-income subsidies" so that "some low-wage workers would keep as little as 10 cents of every additional dollar earned." But then, quite incredibly, the CBO calculations do not take into account that this would reduce reported earnings, thereby cutting income and payroll tax receipts and raising the health insurance subsidies for which individuals are eligible. Estimates made at the NBER indicate that these reactions would reduce taxes and increase subsidies by a combined total of at least \$17 billion a year.

This estimate makes no allowance for the impact of increased demand on health care costs in general. Extending insurance to at least 20 million people who are currently uninsured and giving private insurance to the more than 25 million nonaged Medicaid beneficiaries would inevitably raise the demand for health services and increase health care prices. But even without that, the analysis that I have laid out shows that the Senate Finance Committee bill would cost the American public more than \$100 billion a year at today's prices. The Clinton-Mitchell plan for even broader coverage would cost even more.

#### INCOME REDISTRIBUTION

A cost of \$100 billion-plus a year to increase the number of insured by 20 million means a cost to the taxpayers of more than \$5,000 for each additional person insured—a cost of \$20,000 for a family of four. Since the actual insurance premiums are \$2,000 per person, it's clear that most of the tax dollars in these plans are for income redistribution rather than the expansion of insurance coverage.

The most fundamental social program in a generation should not be enacted without full and careful consideration of its costs. Once enacted, the benefits would be an irrevocable entitlement for nearly 100 million people.

The ability of the politicians to hide a \$100 billion-plus tax increase is both amazing and

frightening. Using mandates on insurance companies or mandates on all businesses as substitutes for direct taxes destroys the budget process and provides a ready way for politicians to deceive the voters. The politics of tax and spend has entered a new era when politicians can spend \$100 billion a year and hide the taxes that we pay for those outlays.

If President Clinton and his congressional allies succeed in ramming this legislation through Congress in the weeks ahead, the American people will have lost not just \$100 billion a year. We will also have lost our ability to check the excesses of the political process and to unmask the chicanery of the politicians.

It political leaders want to deceive the voters, the only safeguard is a democracy in which long and careful public debate and congressional hearings can expose such deception. Although Congress has held hearings on the now defunct Clinton plan and on the broad issues of health care, there has been no serious consideration of the cost and financing of the plans that have recently emerged. The American public deserves a chance to know what we are being asked to pay and what we will get for our money. We should be suspicious of any politician who says there isn't time for such a careful examination.

[From the Wall Street Journal, Feb. 1, 1994]

#### GERMANY IS NOT A MODEL

(By Wilfried Prewé)

"We have a lot we can learn from the Germans," President Clinton said recently, trying to sell his health care plan. "The Germans are able to provide a very high-quality health care system at a much lower cost than we are, because they have much more discipline in the way it's organized and financed." In an address to the National Governors Association yesterday, German Chancellor Helmut Kohl said that in the "run-up" to America's health care reform, "there was an intense exchange of opinions between American and German experts."

On the surface, the German system does indeed look good: It insures society comprehensively and gives individuals quality coverage that is permanent and portable from job to job. Germany spends about 10.6% of its gross domestic product on health, as opposed to about 14% spent in the U.S.

But simple comparisons are misleading. Germany and the U.S. differ greatly in aspects not controlled by doctors and hospitals, such as crime-related injuries, malpractice insurance and nursing care for the elderly. It is worth noting, too, that the costs of Germany's plan have risen by a sharp 23%, after inflation, over the past three years. It pays to take a good look at the German system before prescribing it in the U.S.

#### STRIKING SIMILARITIES

The similarities between the Clinton plan and the German systems are striking. The president wants universal coverage; Germany has nearly achieved that. German law mandates that everyone enroll in the health insurance system, with the important exception of higher income earners making more than \$3,300 a month. The opt-out income level is set relatively high so that about 14% of Germans must join. Another 14% voluntarily join or stay in the statutory health system although their income has risen beyond the cutoff. About 10% (high-income employees, self-employed) have private insurance, and fewer than 1% have no insurance.

Regional health alliances, a big Clinton idea, are the cornerstone of the German system. Companies with more than 1,000 employees (5,000 in the Clinton plan) have the option of forming a corporate alliance. These roughly 1,000 regional or other alliances are the monopoly buyers of medical services for the 88% of Germans who belong to the statutory system.

The Clinton team wants a system that guarantees identical benefit standards for all alliances: the American debate over coverage for mammograms and prostate cancer tests already gives a whiff of how controversial the contents of this list will be. In Germany, which already has such unified standards, the contents of the list are so important they can affect elections: coverage of abortions, for example, will play a role in elections this year. The net result, Germany shows, is that the list simply grows over the years.

Germans pay for their plan through what is essentially a payroll tax, just as the president would have Americans do. Employers and employees in Germany each pay half of the tax [rather than the 80%-20% split proposed in the Clinton plan]. The tax rate differs among the alliances, ranging from 8% to 16.8% of payroll (aggregate of employer and employee share), with an average of 13.4%. Yet Germany's program gives us clear evidence of the degree to which this system lends itself to abuse. Once their tax is paid, Germans graze themselves to obesity on medical services. The Clinton plan has the same bias toward excessive individual use of medical services—at the expense of all members of an alliance.

The German system's major fault is that it doesn't put people first, in the sense of building on individual responsibility and control through effective copayments and other incentives to save. It is interesting that corporate alliances, organized by companies that have an interest in holding their own 50% share down, typically have premiums far below the average regional alliance.

The Clinton plan's critics believe that this system also strengthens bureaucracy. The German plan proves them correct. While the alliances were originally devised as non-governmental health plan purchasing cooperatives, they have degenerated into de facto government agencies. Some 112,000 employees in western Germany alone work for alliances, their administrative costs per member having risen by 53.3%, adjusted for inflation, from 1982 to 1992. This is more than the increase in the alliances' total health costs, revealing that the disease of bureaucracy is the real problem.

The Clinton plan's critics also fear that it will quickly become a single-payer system. In effect, Germany's has already become one, financed by the payroll tax (for the 88% in the statutory system). Patients do not see a doctor's bill. Thus, they have no way of realizing whether the charge for a service has been particularly expensive, or even whether the service has actually been rendered. The doctor sends his bill to his regional association of physicians as the financial clearing house and counterpart of the patient's alliance.

Hidden taxes, a flaw in the Clinton plan, are already part of the German plan. Because the average German carries only 50% of his health care costs directly, he is aware of only his 50%, and increases may not bother him too much. But the 50% the employer carries is reflected in overall labor costs that make Germany the second-most-expensive country in the world to employ people (after

Switzerland), and one with higher unemployment than the U.S. Under the planned 80% employer costsharing in the Clinton plan, this labor-depressive effect would even be more pronounced in the U.S.

Cost-sharing and lack of incentives to save form a potent drug driving health costs up. Unobserved, hidden taxes grow. The German payroll tax rose from an average of 6% in 1950 to 8.4% in 1960 and 11.0% in 1980, before reaching its current 13.4%.

Financially, the German plan is also no model. For 20 years, it has vacillated between financial distress and collapse, and the government has intruded with ever-tighter regulations. Since 1977 alone, there have been nine federal laws trying to curb costs. German measures to control costs foreshadow the results of the Clinton plan: price controls and control of supply.

Last year, physicians, dentists and prescription drugs were each, as a group, subjected to narrow budget caps, and tight regional quotas now limit the number of doctors allowed to practice under the system. The physician associations have to police their members with respect to "excessive," above-average services. More cost-effective—particularly corporate—alliances now have to cross-subsidize high-cost alliances, thus rewarding inefficiency in the name of solidarity. Prudent insured people and prudent doctors are still not rewarded for cost savings in the form of lower premiums or bonuses. Needless to say, all reform attempts have missed their targets.

Although only 10% of Germans are covered by private insurance, it offers some obvious lessons for everyone. First, payroll taxes in the statutory system are 25% higher than private premiums, since private insurers compete vigorously. Their benefits are better, and the administrative cost per insured person is only half. Second, the private alternative forces the statutory system to improve, within limits, since otherwise its voluntary members would opt out for private insurance. This beneficial effect is indirectly evidenced by the larger inefficiencies in countries that force everybody into a statutory system.

Maybe the Clinton team looked at various statutory systems and concluded that Germany's looked best. The one-eyed is king among the blind. But why does the president want to emulate the 90% of the German system that is failing instead of the 10% that is effective?

#### WRONG ABOUT COSTS

Perhaps the most interesting revelation from the German plan, though, is that it shows how unrealistic Mr. Clinton's is. In the U.S., the maximum premium to an alliance will be about 10% of payroll. This is supposed to pay for health costs that now amount to 14% of GDP, set to rise to 17.3% in the year 2000 under the Clinton plan's reform projections (18.9% otherwise).

If a 13.4% payroll tax in Germany is needed to finance 10.6% of GDP, it is hard to conceive how, in the U.S., a much smaller payroll tax of 10% can finance U.S. health care costs at a much larger share of 14% to 17% of GDP. The missing gap is too large to be filled by the designated subsidies and sin taxes. If you want to copy pages out of the German social policy book, have your checkbook handy.

Mr. WALLOP. I thank the Chair.

The PRESIDING OFFICER. The Senator from New York [Mr. MOYNIHAN].

Mr. MOYNIHAN. Mr. President, before the Senator necessarily leaves the

floor, may I tell him how much I have enjoyed his critique. It is a careful and analytic tradition that deserves to have a place in this body, and it has been very ably filled for 18 years now by the Senator from Wyoming.

Could I make just one comment about the point he makes of the 1.75-percent tax on health care premiums for academic health centers and research? This originates in the Finance Committee, as he knows, and knows well—he is a very distinguished member—and it comes about in one of those ironies of progress.

I cannot doubt that the Senator has followed the works of Joseph Schumpeter over the years and his particular notion of creative destruction of capitalism, that as advances are made existing institutions find themselves bypassed and indeed often destroyed.

One of the things we learned, and as we learned this, it took a while for it to sink in on the chairman. I must say that, because the health maintenance organizations are making such progress, because cost containment is becoming a large managerial function in the United States—cost containment and health care, an activity that probably did not exist 20 years ago but now firms traded on the stock exchange do this, and they do it and they perform and they are rewarded in relation to their performance and very conscious of cost.

This has made them reluctant to send patients to hospitals associated with medical schools. Academic health centers is the term we use. There are States in the Nation which we associate with being advanced as regards coverage in health care, and whose universities are world renowned, whose medical schools may close because of this new situation.

The cost containment is good, but it will not last long if those medical schools close and the people who bring about the new technologies and the extraordinary advances in medicine are not trained.

We had—I hope my memory serves correctly—the director of the hospital for the University of California in Los Angeles, Dr. Shultz, who said their occupancy ratio now is about 45 percent. There is a spot market in southern California for bone marrow transplants, and a vast university is half empty.

It is in response to this that we felt that there has to be, there needs to be, and a case can be made for, providing a trust fund with a steady stream of income to our academic health centers so that we shall have coming out of them a steady stream of doctors, nurses, and research scientists that has made this moment the greatest moment of discovery in the history of medicine. It is this moment, and it is taking place in this country and in those institutions.

I want to make that point.

Mr. WALLOP. Mr. President, will the Senator yield?

Mr. MOYNIHAN. I am happy to. I yield the floor.

Mr. WALLOP. I do not quarrel with the goal of the Senator from New York. I do quarrel with Government's role. I made three points earlier. One is that it doubles the money now being spent by the Government, and still \$10.8 billion is not accounted for. That is being tossed off into just general revenues, I guess.

Mr. MOYNIHAN. That is where we are going to have that one in Casper.

Mr. WALLOP. In Casper? I am brought on.

But there is another problem. First of all, Government may be better at this—and I will accede that to the Senator—than it is in many things that it contributes money to. But it is a long way from perfect, and the problem is that it says to the great private contributors of this country: "Forget it, boys. Government's role is to do that now. We are out."

I have said more than once that the more secular this country becomes, the more we pray to Government to do that for which we used to pray for our Maker to do or to provide. What happens is that as we have increased welfare programs and everything else, the private community conscience has diminished co-equally. We spend less in taking care of the disadvantaged in our little homes and houses and communities than we did, because it is Government's job.

I just do not think it is wise at this moment in time to tax every American 1.75 percent to take care of teaching hospitals. I do not quarrel with even keeping where we are at the present level, although we seem to be doing that without a premium tax. But it strikes me that the worst thing we are doing is saying, OK, you do not have to worry anymore, Government will. Government picks up all the worries that are there. Therein becomes the kind of losses that I think are inherent in a system—too much and too corrupt.

So it is a difference of opinion as to what Government's role is. It is certainly not a difference of opinion on the goal.

Mr. MOYNIHAN. No.

The PRESIDENT pro tempore. The Senator yields. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, may I again thank the Senator from Wyoming for his balance and courtesy and clarity in these matters.

My purpose was not to dispute that he has a case. I do not know but if we quantified charitable giving, I think we would find it goes up. I think we would find it is more a function of total resources than individual sense of obligation.

ADDITIONAL REMARKS BY SENATOR WALLOP

Mr. WALLOP. I would like to clarify for the RECORD that the figures quoted

from the Joint Committee on Taxation distributional charts were misinterpreted. Instead of individual numbers, they are aggregate numbers. I hope to have individual numbers available in the next few days that should clarify the amount.

As I noted, however, with respect to the 1.75-percent premium tax, taxpayers with incomes of \$50,000 or under will pay 54 percent of the net tax increase, while taxpayers with incomes of \$75,000 or less will pay 79 percent of the increase. Regarding the four taxes mentioned, the Joint Committee's distributional charts show that taxpayers with incomes of \$50,000 or less will pay 60 percent of the net tax increase, and taxpayers with incomes of \$75,000 or less will pay 78 percent of the new taxes. Hefty sums, in either case.

But leaving that aside, I just want to draw attention to something which is in our report I have here, "The State of America's Health Care System and Health Care Crisis." I am going to make a bet that one crisis you will not read about is the crisis of the financial viability of the teaching hospitals and the medical schools. It has come about right suddenly, unexpectedly, and it is important. And as long as we know about it, I think we will, in the end, make some useful efforts to deal with it.

Mr. President, I yield the floor. I see a number of my colleagues have been waiting. The Senator from Washington has been patiently waiting to address the Senate for some time now.

The PRESIDENT pro tempore. The Senator from Washington, Senator MURRAY.

Mrs. MURRAY. Mr. President, I have listened very carefully and I have waited patiently as we have debated the health care reform bill. I know the majority leader laid down this bill 2 weeks ago, that we have had 6 long days of debate, and I know that the Dodd amendment has been on this floor for 4 days.

I came to the Senate a year and a half ago and I was eager and anxious to get to the heart of the problems that many of the families that I talked to throughout my campaign told me about, and health care was at the top of their list. I am frustrated today that, despite having this bill on the floor for 2 weeks, not one amendment has been voted on on this floor.

I have heard many of my colleagues state that they disagree with parts of the Mitchell bill. That is part of the political process. I have heard their criticisms of cost containment or benefits packages or new programs, and that is their right. But it was my understanding that when someone disagreed with a part of a bill on the floor, that they had the alternative to propose an amendment and it was up to us to look at that, debate that amendment, and agree or disagree—vote amendments up or down and ultimately

come to a final bill that we would either pass or not pass, depending on what was in it.

But so far, we have not gotten there. For 4 days, the Dodd amendment that would provide benefits for pregnant women and children has been on this floor. And this delay has not been without cost. In the 4 days that this amendment has been on the floor, 2,544 babies were born to mothers who received late or no prenatal health care. I urge my colleagues to get on with this debate.

Even more troubling to me as I have listened to many of the speeches over the last 6 days is the people who say, "Just say no." I think it is time we remember why we got to this health care debate and why it is a critical topic in this country. There has been an increasing number of hard-working families in this Nation who cannot afford health care in today's world. It is not provided by their employer, they have been opted out because of preexisting conditions, they have changed jobs, they have moved, and they have found themselves in a position where they cannot purchase health care.

They call up an insurance agent and he says to them, "No, sorry; you are out of luck." Under the Mitchell plan, we seek to reduce that risk for families so if a preexisting condition exists, you can still purchase health care. Under the Mitchell plan, there will be subsidies for families who do not have the means to go out and purchase health care. These are important steps in the right direction that this Nation needs to get on with.

We are here in this debate today because of the increasing cost to everyday families out in the real world. As they get their health care insurance bills—and these are people who have insurance today—they see that their deductions have skyrocketed, their co-payments have risen, their premiums have gone up, and their benefits have been reduced. And there is no security that that is not going to change when they get their next bill. The Mitchell bill seeks to provide some security and assurance to those people who have health care insurance today, and it is time to take that step.

We are here in this debate because of the increasing cost health care is to our entire system, to families, to businesses, to government. As a former State senator, I know we were unable to provide more teachers for our classrooms and policemen for our streets because an increasing part of our State budget was going to health care costs. None of the plans are perfect but certainly it is time to take a step in the right direction.

What has troubled me the most throughout this debate is the statements I hear that, "Well, only 15 percent of the American people do not have health care, so let's not mess it up for the 85 percent."

Mr. President, we have a responsibility to assure that those 15 percent of Americans have health care insurance. But we also have a responsibility to those 85 percent who have insurance today, to provide them security. And that is what the Mitchell bill seeks to do.

I hear statements if health care reform, any health care reform passes, we will have long, long waits. We do not now? Ask any parent who sat in an emergency room on a Friday night, like I did recently with a daughter who sprained her ankle in a Friday night soccer game. We sat there for 6 hours. Those are not long waits today, under the current system?

I looked around that health care emergency room as we sat there. I would urge all of my colleagues to go sit in an emergency room and watch what comes in the door. I saw young mothers with young children who were there because their child had a cold. I saw others who were there with general health care problems who should have been seeing a physician in the doctor's office during the day. But I talked to a few of them and they were there in the emergency room because they did not have health care coverage. This bill will eliminate some of those long lines in our emergency rooms, and it will save money at the same time. It may not be perfect, but it is a step in the right direction.

What is most troubling to me are some of the statements that I have heard about how bad government is, "Government has taken over everything; isn't that awful?" Mr. President, I am very afraid for this country if we continue to denigrate government as we have heard over and over again. If the people of this country do not make the decisions for ourselves through a representative democracy, let us ask who will make the decisions? Large corporations? The insurance companies? The wealthy? It is time for us to be a part of that representative democracy and forge a bill together that assures all Americans have access to health care reform. That is the kind of democracy I believe in. That is the kind of government I believe in. And I believe that is what this debate is all about.

And, bureaucracy—what a word. It is intimidating, it is frightening, it is scary. But I submit, one man's bureaucracy is another woman's assurance of quality health care in this country.

I hear the word "bureaucracy" thrown out and I look in this bill to what we are referring to. And perhaps we are talking about the long-term health care provisions in this bill that provide grants to States, matching grants, so that they can put in place long-term health care for our elderly citizens, so that instead of having to go to a nursing home as they get older or

become sick, they can stay in their homes and have the kind of care that will provide them the dignity that they deserve.

Mr. President, I believe it is time to remember the American people. I came here to bring change, and change means we listen to the American people. Maybe change is not comfortable for everybody, but it does mean renewed hope for thousands and thousands of American citizens. And we should take some risks and put a program out there to provide hope for thousands of Americans today.

People are tired of waiting because the current system does not work for too many of us. Like many of my colleagues, I have received hundreds and hundreds of letters over the last years about the health care crisis, and I want to share a few of those with you.

I have one from Kent, WA, a young mother who says:

A year and a half ago, just as most people in our Nation were beginning to look closely at the issues of national health care, our family plunged head first into our own health care crisis and was forced to meet many of those questions head on.

At that time, our daughter, Tara, who was 8 months old, was diagnosed with severe combined immunodeficiency disease, which is a rare genetic disorder.

She describes in her long letter the painful decisions that she had to make. She talks about preexisting condition; the fact that her daughter, 8 months old, will never be able to change policies in this country because she now has a preexisting condition. And she says they will not be able to move or change our jobs because of what has occurred in our lives. She talks about the fact that she had to fight with her health care insurance company to get coverage for her child. If that is not bureaucracy, what is?

She says:

No parent or patient should be forced to argue these kinds of issues, especially in the middle of a crisis.

But instead of caring for her daughter, she found too often that she was having to fight with her insurance company, and that is a sad note in this country.

There is much in the Mitchell bill that we agree with or disagree with. But, Mr. President, I submit to all of my colleagues, it is time to move on. It is time to get to the amendment process, and it is time to make a difference for thousands and thousands of Americans in this country.

It is time to get on with this long-winded debate, Mr. President, because, frankly, it has become more painful than my last 6-hour wait in the emergency room.

I thank my colleagues.

Several Senators addressed the Chair.

The PRESIDENT pro tempore. The Senator from Ohio [Mr. GLENN].

Mr. GLENN. Mr. President, I rise to comment on the Dodd amendment and

also on the Mitchell proposal on health care reform.

I am pleased to have this opportunity to speak in support of the amendment offered by our colleague, Senator DODD, which would increase health care for our Nation's children and, at the same time, help curb unnecessary health spending.

Our distinguished colleague from Washington talked about being in a hospital waiting room. I do not know how many of you may have visited a children's hospital recently. But if you have, you have seen the underweight babies, the preemies, those with birth defects, those who are starting out in their first days of life with one strike against them, those at risk, those for whom enormous expenditures will be incurred and could have been prevented with a little better health care.

Talk to some of the parents who are there with terror in their hearts at seeing some of these problems with their newborn, with whom they looked forward to sharing a new life. They literally have terror in their hearts because they know the problems that lie ahead, and we know that many of those situations could have been prevented.

The amendment we are considering improves upon Senator MITCHELL's health care reform bill by accelerating the date on which insurance companies would be required to include preventive services for pregnant women and children in insurance policies.

This is not something new. This is not some untried, fictional-type proposal. It is used now in 16 different States and the District of Columbia. This is something that I think could well be supported on both sides of the aisle. I note in the list, the State of Kansas has had a provision like this in its own law since 1978; Louisiana, 1992; Wisconsin, 1975.

So this is something that has been tried. It is already mandated in insurance packages in those States, they are provided in plans offered through the Federal Employees Health Benefits Program also.

One of the basic reasons they are provided is very simple: They are cost effective. By providing low-cost prenatal care and well-baby care and immunizations, we can avoid the human suffering and the high cost associated with low-birth-weight babies and children whose illnesses become more severe and ultimately more costly when they are left undiagnosed and untreated.

An important goal of our health care reform debate is to ensure that all Americans have private health insurance which emphasizes primary and preventive care. By providing these services to pregnant women and young children, we can reduce our intolerably high infant mortality rate and ensure a healthy start for all of our children.

Mr. President, we have in this country the finest health care in the world.

We have the finest health research in the world. We have the finest pharmaceutical companies in the world. Yet, our infant mortality rate ranks 22d among nations of the world. There is a great disconnect here. We have the best of everything except it does not get to everybody. It is not distributed, so it is never used in those particular cases. All this amendment does is say that those in the first stage of life will get a shake at the best health care and the best preventive health care that we can offer.

Twenty-second in infant mortality, let me repeat that again. We should be absolutely ashamed of that. We are the greatest, the richest, the strongest economic nation in this world, and yet we are 22d in infant mortality.

Along with the reforms in the Dodd amendment, we need to work to ensure that all Americans are able to purchase private health insurance. I believe Senator MITCHELL's bill would make this possible by making insurance more affordable and providing subsidies to help low-income individuals and employers purchase insurance.

So I urge my colleagues to complete debate on the Dodd amendment. Let us adopt it and move on to other important amendments to Senator MITCHELL's health care reform proposal. I think the time to act is now.

Let me back this up with some other statements. What is the price of delay? The Senator from Washington touched on a couple of these items. I would like to give a couple more.

Just during the time the Senate has been considering the children-first amendment, as it is called, children across this country have continued to suffer. Just in the 4 days the Senate has considered this pending amendment, it is estimated that 2,544 babies were born to mothers who received late or no prenatal health care, and 3,204 babies were born at low birth weight. That means less than 5.5 pounds.

Two hundred twenty-four babies died before they were a month old and 440 babies died before they were a year old. That is just in the last 4 days.

Prevention does pay off. It is estimated that for every \$1 spent on prenatal care, it saves \$3.38 on the care of low-birth-weight infants. Every time a low-birth-weight delivery is prevented, it saves between \$20,000 and \$50,000 in costs, and every time a very low-birth-weight delivery is prevented, it saves approximately \$150,000 or more on neonatal intensive care costs. Routine preventive checkups can avoid hospitalizations that may cost as much as \$600 a day.

So, Mr. President, I urge my colleagues to complete debate on the Dodd amendment. Let us pass it and let us move on to the other important amendments. The time to act truly is now.

Mr. President, I would like to continue by making some general remarks

not just on the amendment of Senator DODD but on the proposals by Senator MITCHELL.

I guess we all have our views formed to a large extent by our own personal experiences, our background. We have many examples of this. We have heard time after time on the Senate floor in the last few days from people who get up and say something about their own personal family experience or their own personal experience of having cancer themselves of one kind or another and how they had to deal with it. So I guess we are all a product, at least in part, of our past experience. I can go back to my own days as a younger person in New Concord, OH. I knew a couple there. This was back in the early 1960's, I might add, just before the Medicare came into being.

Of the couple I knew, the husband ran a plumbing shop in New Concord, OH, and worked very hard. His wife took care of the plumbing shop while he was out working. They saved a very modest amount for retirement, retired, and 2 years later one of them came down with cancer. That man and his wife saw all their lifetime savings go in the first 2 years. A lifetime of hard work that went down the tubes.

Well, I put this in the third person, but it is not really a third-person story because that couple was my father and mother. So we take some of these things very personally and they affect our views for the rest of our lifetime, and I have thought ever since that time that we can do so much better in sharing some of these dangers together.

Now, granted, we have Medicare and that protects some of the people in their senior years, but how about people who have not quite reached their senior years yet? How about people that cannot afford insurance? I cannot imagine a more horrible feeling than having a child or a father or a mother and seeing that person in need of medical attention and not being able to get it. Knowing that health care is down the street but not being able to afford it, or seeing a child or a family member suffer and maybe die because of not being able to afford it. I cannot imagine anything much worse than that.

So we see these personal experiences, and do they affect our views on health insurance? Yes, they certainly do. They affect mine because I have believed ever since those days we could do better than we are doing with regard to health insurance.

Why do we need reform? Some say we do not need it or we need as little change as possible; we have the best system in the world; we have the best research in the world; we have NIH; we have the best medical schools in the world; we have the finest drug and pharmaceutical companies; they are doing research; they are providing medicines. We must do no harm to a

system that is the finest medical care system in the world.

Then we have to look into it a little bit, and what is going on with the coverage that we have for this finest medical care system in the world. Well, 218 million Americans do have health insurance. That is fine. Some are not adequately covered but they have a policy. They have something. We have 37 million Americans who do not have health insurance. They are the havenots or they are between jobs or they are locked in. They have a pre-existing condition and cannot get insured, or they have all the reasons why they do not have insurance.

Well, if we look at that overall ratio, maybe that is not so bad for a country like ours, 218 million Americans have insurance, 37 million Americans do not. But I submit that is not very good compared with our industrial competitors around the world. Do you know how long the Germans have had full coverage health insurance? It is 110 years—into the last century; Japan, since 1920; France, since 1928. These are basically government plans, single payer. I am not proposing that we go to that. Our system did not develop that way. We did not develop that kind of a system in this country. We developed along an insurance route. We developed an independent insurance industry to do some of these things.

So when we say the Germans have had their plan since the last century, Japan since 1920, and France since 1928, so what? We do not have to follow them, that is true, no matter what their basis is. We have developed our own system in this country, and it has been a good system. It has worked pretty well up to now.

Up to now. This is the important point. We are truly at a crisis stage, and that is not something that is manufactured by those who are promoting health reform. The problem is that costs are escalating, and for those 218 million Americans who have policies, they are not going to cover their family adequately into the future.

That is what is really driving this. It is not necessarily the concern that we all have for the 37 million Americans who have no insurance. It is the 218 million Americans who write in and say, "I just looked at my policy, and it does not cover my family anymore. What am I going to do about this?" Costs are going up. The 37 million Americans who do not have health insurance, if they have a problem, they go to the emergency room. That costs something. They cannot pay. The costs of running that emergency room then are put back on the other 218 million in their insurance policies and increased costs.

So the costs are driven up for the 218 million. Where do we stand? Why is this a crisis? Health care costs now as

a proportion of our gross national product are estimated to be just approaching 15 percent. Do you know that by the year 2003 it is estimated to go up to almost 20 percent? That is of our whole gross national product, everything.

What does it do just to Federal expenditures? Right now, it is at 17 percent. It is estimated that by 1999, just in 5 years, it will go up to 24 percent.

Now, that is a 41 percent increase at the Federal level and almost a one-third increase as a percent of our GNP. They say, well, these are just figures, but I will tell you the one area where the figures have been reasonably accurate in the past has been estimates of health insurance costs.

Let me quote from an editorial in yesterday's paper because this points out exactly the point I just made, that costs are going to go up for everybody, not just for the 37 million Americans who do not have health insurance. They are not going to be the only ones who have a problem. I quote from yesterday's editorial:

Meanwhile, the cost of health care continues to soar—and the higher it goes the greater number of people who lose insurance because neither they nor their employers nor the Government can afford it. A seventh of all the money Americans have available to spend today goes into a health care system that leaves a seventh of Americans uncovered. Both numbers are rising. Two years from now, or 4, or 6, they will only be higher and harder to reverse. In the meantime, millions of people who could have been helped will still lack coverage. There will indeed be risks and costs if this Congress acts. It is important to remember that the cost will be enormous if it does nothing as well.

Mr. President, I ask unanimous consent that the entire editorial be printed in the RECORD at the conclusion of my statement.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1).

Mr. GLENN. Mr. President, reform is necessary to make sure that we do not price too many of our people out of business. If we do nothing, then we approach a catastrophe just a few years down the road. I do not think it is an option for us to do nothing. As these costs increase, fewer than 218 million Americans will have insurance; 37 million Americans will still be out there and their numbers will be added to. So doing nothing is not one of the options that we have.

How can we assure affordable health care to all Americans to the year 2000 and beyond into the next century? Well, we have a lot of systems proposed: Single payer; eliminate the insurance industry—basically, let the Government take it over—cover everyone; Government subsidies to 37 million Americans; a combined system covering certain areas; specific programs that would deal with the newborn or the elderly; an expansion of the Medicare system. All of these are

things that have been considered in the past.

Mr. President, I would not propose that we dump our insurance-based system. I think we need to improve it. The President was criticized in his plan that he put forward because of some of the mandates and the requirements in that bill.

Let me digress just a moment to give the President some credit. The President seems to be a bit beleaguered lately. If we have health care reform in this country, it will be because we finally have a President who saw this as a requirement, saw the dangers of doing nothing, went at it, stuck with it and pushed and pushed. If his policy, if his program, if his proposal is not to be what is going to be enacted, then he still was for what we could get that was going to improve the system, because he believes in it—and I am convinced he believes in it, and Mrs. Clinton believes in it. She has worked on it. They believe in the future of this country and that the future of this country should have health care for all our citizens included. So the President has stuck with it. I have to give him credit for that. When we have health care reform, when we have health care for all one of these days, it will be in large measure because the President and Mrs. Clinton believed in it and they acted and they stuck to it.

We are proud of saying that every President since Harry Truman on up to the present time, with one or two exceptions, has proposed health care. But what have they done? They proposed it, and as soon as the political flak started, they backed off. I have to give this President a lot of credit for sticking with this.

We need reform. But what and how? We want to cover everyone. We want to have cost control. We want to have portability. We want to have coverage for preexisting conditions, which may come from some of the lack of prenatal care that I mentioned a moment ago. We have to figure out a way to pay for all of this.

What is full coverage? Is it 95 percent? That would certainly be a good step in the right direction because we are going downward now. I think only about 83 percent of people are covered now, and the coverage of our overall population has been going down instead of up.

We cannot have an absolute 100 percent. That is not going to happen. Just people coming across as illegal immigrants is going to ensure that we will never have 100 percent absolute coverage. Social Security, for all the years it has been in, is not 100 percent. So of all of this semantic argument about what full coverage is, what it is not, and whether we consider 95 percent to be full coverage, or 97 or 98, we know one thing—95 percent coverage would be a lot better than we are doing right now. So let us go for it.

We have different bills. They are very complex. They are all over the lot. We have different provisions. We have different coverage, different percentages, and different ways to pay for it. We stand here on the floor arguing about whether one bill is 1,400 pages or not. Another bill is trotted out, and we say it is great progress, this one is only 780 and some pages.

I think the American people are not going to be very much impressed with what size the bill is when it goes from 780 to 1,400 pages. We have bills proposed by a lot of people. We have bills proposed by Senator CHAFEE, Senator DANFORTH, Senator DOLE, Senator PACKWOOD, and Senator MITCHELL. All of these bills have a lot of merit in them, but they take different approaches.

I think the bill that Senator MITCHELL has put forward is an excellent compromise. It accommodates the views and the major concerns that were expressed earlier concerning health care reform. It takes a little different approach.

Some of the earlier proposals put the mandates up front. They were heavy. An 80-20 split on the cost between the employer and the employee. These were mandates, and they were up front as a forcing mechanism to say we are going to do it and do it now. There was a lot of objection to that.

All of the industry comes in. They come to our offices, and say, "Look. We are making a lot of progress. Why upset things right now because we are making a lot of progress? States are putting new plans into effect. We have new affiliations. We have new groups. There is a new awareness out there that the President has helped to spawn, and all this discussion has helped push it along. So why do we want to wreck things now? Let us do no harm to the system the way it is right now."

Let us go at this thing. There are affiliations. These things are actually happening. There is a lot of progress being made out there in the country with regard to health care reform.

What does Senator MITCHELL propose in his bill? He basically says he challenges these people to say, "OK. Let us go ahead. You are making progress. We realize that. It is not as fast as a lot of us would like, but we are making progress in these areas. Let us go ahead and do that kind of a job. Let us do it, and we will give you several years to accomplish this."

There is no mandate in the Mitchell bill. I repeat, there is no mandate in the Mitchell bill unless the industry fails, unless these objectives are not being met, unless the Congress refuses to act at that point and take other action. Only then is there a mandate. Then it is cut back to a 50-50 sharing. But only after industry has failed to improve the system enough, and only after Congress has failed to act. Only

then as a third order backup do we say that a mandate will cut in. Then it is only 50-50.

Even then it protects small businesses who cannot afford it, who might be put out of business. If they cannot afford it, it helps them out. It has a subsidy for them to help them out. In this whole process we do not dump the system that has built this health care system for the country. We do not dump the private insurance industry.

I think Senator MITCHELL has bent over backward to try to accommodate those who had legitimate concerns about some of the proposals that were being made. It keeps the private insurance system, and it builds on it. It is not sudden. It provides time for this to occur. It has been a long process. There have been hearings by the Labor and Human Resources Committee and the Finance Committee. The House has had hearings and has given a lot of consideration in this area. Think tanks have been done with innumerable studies in this particular area. It gives something to all of these areas. It picks the best of all of them. It is affordable. It guarantees high-quality care through our private health insurance system.

If it expands coverage, as the CBO says in their independent analysis, then there will be no mandate. If the 95-percent coverage is not achieved, then Congress can act on the advice of the monitoring commission that is set up to monitor what goes on during that period. They can make recommendations, and the Congress can act on those recommendations if we are not at 95 percent at the end of that period. If Congress has not acted, only then does this 50-50 mandate cut in as a last resort.

I think that is a reasonable approach. In fact, we have some people that say that it is too reasonable. They do not like the plan because it has gone too far.

Mr. President, we have heard a lot on the floor here the last few days about some of these new taxes—17 new taxes. I will not go through each one of them. That would take a couple of hours to go through and define each one of them. But on closer analysis, actually of those 17, you could say that 9 of those really are tax cuts. There are revenue increases in some of the others, such as a tax on tobacco products, and so on. But the 17, on close scrutiny, do not turn out to be the case.

Mr. President, we have a lot of doomsaying when something as big as this comes up. They say it is going to wreck the economy. It is always easy to say no. We can always find a reason to be against something. It is easier to tear down than it is to build up. It is easier to swing a wrecking ball at a building than it is to build that building.

We heard many of the same arguments against Social Security in its

time, and we heard some of the same arguments against Medicare in its time, also. The health care doomsayers have had a field day with this. They have said it would wreck the economy, kill millions of jobs, and would cause taxes to rise on middle-class Americans.

That is what was said about the largest deficit reduction program in history that we enacted last summer. The doomsayers were out in full force on that one. The doomsayers said the plan would wreck the economy, kill millions of jobs, and cause taxes to rise on middle-class Americans. Yet, here we are one year later, and the economy is the brightest it has been in decades. According to Alan Greenspan, 4.1 million new jobs have been created during this administration. Income taxes have not been raised on the middle class. For the first time in a generation, Government deficits are going down, not up.

So for the doomsayers who are prodding out the old lines and charging that health care will wreck the economy, kill jobs, and raise taxes—well, I think the American people are smarter than we give them credit for. I do not think they are going to be scared to death by the buzz words of fear and obstructionism. They want health care reform, not delay. They want health care reform and not fear mongering and ramblings that have been discredited time and time again. The time to act is now.

So these same arguments were used in the old days against Social Security and Medicare. We got to speaking about Medicare, and I heard somebody in the cloakroom talk about receiving a phone call in their office about someone who was talking about—an elderly gentleman, apparently, who said that Government programs are just bound to be bad, but "whatever you people in Washington do, do not mess around with my Medicare," as though that was somehow not part of a Government program.

I think this is a historic opportunity. I think it comes not even once every generation. I think it may come once every other generation. Costs are now at 15 percent of GNP, going up to 20 percent of GNP by the year 2003. Federal expenditures now of the total Federal budget are 17 percent on health matters, going up to 24 percent within 5 years by 1999. So one of our options is not to sit back and do nothing.

Mr. President, I deplore the political rancor that has gotten into this debate. If we started at the other end of the medical problem, if I go into an emergency room or you come with me to a hospital and I need treatment for something, you go in and the doctor asks you questions. Has the doctor ever asked anybody in that situation: Are you a Democrat or Republican? Before I treat you, I want to know whether you are a Democrat or a Republican.

If they did that, we would certainly think that was outrageous. That would be the worst thing you could be asked, to have a health problem and people arguing about whether you are a Democrat or Republican. Yet, the Senate is not being constructive in this matter, at our end of this, in providing a health care system. At the user end, it is not a Democrat and Republican issue; it is just a matter of health, and an individual's relationship to that health care system in getting treated.

Yet, we are not being constructive here. We are sometimes opposing just to oppose, no matter what. We find people getting up and saying they will oppose whatever comes up, no matter how good it is, or whatever the provisions are. They will use any means to defeat any proposals that are made, and they make that statement in public. It is quoted in the papers. To me, that is politics at its worst. That is not working together; that is not trying to work together to get health reform. Is health reform Republican? Is health reform Democratic? No, it is not. Whatever views are held, I hope that we can get together and say that we will start amendments, start votes, and we will go ahead with this. A good place to start, to me, is the Dodd amendment.

I hope we can have votes before the day is over today. Mr. President, I think this is so important and I think it is maybe once every other generation that we have something like health care reform come along—like Social Security did in its day and like civil rights did in its day, and so on—that is going to affect the lives of every single American into the indefinite future. We want to do it right. To those who say, "Let us not rush into this thing," I ask, let us not rush after 60 years of consideration? Let us not rush after piles and piles of studies and reports and committee hearings on this matter?

Now is the time to act. I hope we get on with it and vote before this day is over.

I yield the floor.

#### EXHIBIT 1

##### STILL TIME FOR HEALTH CARE?

The argument is now being made by a lot of people that Congress has let health reform go too late; that not even the authors know what is in the giant bills, some portions of which would likely be unworkable or do more harm than good; and that the problem, while important, isn't so urgent as to require risky action now when measured action can be taken later. In some respects the system may even be in the process of correcting its own defects. Better to wait and try to get it right, this critique goes.

Clearly, some of those taking this position are doing so for purely political reasons—just as some of the opposite pressure, that for hurrying up and passing a bill in the next two months, is political. But a heavy substantive argument can be made on behalf of delay as well, and most of the complaints have at least some basis, some merit. We continue to think, nevertheless, that there is

still time, though barely, to repair the problems and produce what would be a valuable bill and that Congress ought to try. The next Congress will be no better disposed to do a serious job, and may well be less disposed. It will probably be more sharply divided along partisan and ideological lines; it will be heading into a presidential election year; and, anyway, all Congresses are dilatory, so that it too will be unlikely to act until it is forced to do so by the prospect of adjournment, by which time this issue will be election fodder.

Meanwhile, the cost of health care continues to soar—and the higher it goes, the greater the number of people who lose insurance because neither they nor their employers nor the government can afford it. A seventh of all the money Americans have available to spend today goes into a health care system that leaves a seventh of Americans uncovered. Both numbers are rising. Two years from now, or four or six, they will only be higher and harder to reverse. In the meantime, millions of people who could have been helped will still lack coverage. There will indeed be risks and costs if this Congress acts. It is important to remember that the cost will be enormous if it does nothing as well.

The question is whether there is in prospect any kind of legislation that would significantly improve the situation without creating ominous new problems for either the economy or the health care delivery system itself. The answer has several parts. First: None of these bills is perfect; far from it. But some of their flaws are being greatly exaggerated. And, importantly: most could be fixed before enactment and in such a way as to justify enactment.

The bill that was put together by Senate Majority Leader George Mitchell, though certainly not itself without problems, does seem to offer the most promising framework for compromise. The measure was drafted in hopes of meeting a lot of the objections that continue to be leveled at it. The original Clinton administration bill was rightly criticized for laying far too heavy a federal hand on the health care system while pretending not to. It turned out to be, in fact, upon inspection, a flow-chart-gone-mad kind of health bill. This conclusion was reached not just by Republicans but by thoughtful members of both parties who felt the government should rely instead on the most modest combination of insurance market reform, government subsidies and government-structured competition to achieve its goals of broader coverage and cost containment. Mr. Mitchell attempted to meet these objections. However, some prospective supporters believe that he did not go far enough. Are the differences negotiable? We believe so. Is there more potential agreement in the conflicting positions than meets the eye? We believe that is true as well.

To take an example, consider the argument in favor of delay made on the op-ed page the other day by the respected columnist Robert J. Samuelson. Mr. Samuelson began by noting that "the Democratic health care plan," meaning the Mitchell bill, "contains a large—and unjustified—multi-billion-dollar tax on younger workers" which he doubted most members of Congress even knew about. The "tax," however, turned out to be a staple of insurance market reform that is in not just the Democratic health care plan but practically every plan—including Bob Dole's. The problem it seeks to address is that too many insurers "cherry-pick." They try to sell separate, low-cost policies to the healthy, including the young.

The effect is to relegate higher-risk buyers to costlier pools; the people who need insurance the most are left least able to afford it. Market reform seeks to spread the risk and cost instead across a broader pool, in part through so-called community rating: Everyone in a community pays, if not the same for a given policy, at least closer to the same than now.

The debate is about how far to go in this regard. The Mitchell bill would continue to allow some rate variation according to age; the Dole bill would allow more; but both would limit current practice on grounds of equity and in hopes of making insurance more accessible. That's the tax. It is one of the (many) constructive principles on which, beneath the rhetoric, Congress appears to agree—and one of those that leads us to believe that with good-faith negotiation a useful bill could still be passed.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I appreciate the comments of the distinguished Senator from Ohio, and all who have spoken thus far. I personally pay tribute to Mrs. Clinton in the efforts she has put forward in trying to come up with something that would help solve what many think is a health care crisis in our country. One of the problems, of course, is who is going to pay for all this? All of us want to solve this problem. All of us want what is called universal coverage, which is defined in various terms and in various ways.

All of us would like to make sure everybody has coverage. We would all like to stop the cost shifting onto certain segments of our society. But it comes down to who is going to pay for it? Anybody who believes that by having a huge, additional Federal Government program on top of everything else that we have today is going to solve these problems and reduce costs, they just do not know what they are talking about.

Why are we all here? We are here because we want to help people. We want to help people who are not receiving the health care coverage that they need and deserve. We are here because of admirable citizens like Helen Roth of Utah, who came to my office and implored the Congress to make sure that the disabled receive the care to which they are entitled. We are here because of two articulate teens, Ryan Van Dyke of Brigham City, UT, and Jason Brown of West Valley City, UT, both diabetics who are struggling to get the care they need. We are here because of Travis Carlson, born blind and deaf, whose parents have struggled to get him the care he needs. We are here to help these people, not hurt them.

When this debate opened, the distinguished majority leader took to the floor and made a very eloquent statement. He talked about the need for a bill. He said that providing health insurance to all Americans "was a matter of simple justice."

Yet, the Clinton-Mitchell health care reform bill is not simple justice. There

is nothing simple about this bill—nothing. It is complex. I want to talk about the justice in this bill. Is it justice to take almost \$200 billion out of the Medicare Program, severely jeopardizing its future? Is it justice to cut Medicare on the one hand and then propose to expand it with new programs such as a prescription drug benefit which may help only a very few?

Is it justice to impose 18 new taxes on our people?

As I walked over to the Capitol this afternoon, I thought back to all the conversations I have had with my constituents who are so interested in health care reform.

I have had a chance to meet with people from all walks of life to discuss every conceivable aspect of health care reform.

It has been reported that the so-called special interests are lobbying Capitol Hill on this issue.

The fact is, on health care reform, every person in America is a special interest.

Each and every American is a special interest, and rightfully so—we all have so much at stake.

My own feelings about this legislation have been shaped by the many conversations I have had with the citizens of Utah. And I will say, in all candor, I have learned a lot from them.

I have learned that the people of Utah care about health security for their fellow citizens. When a health crisis strikes a family member or friend, all of us want to know that the best possible care will be given to that individual.

The people of Utah care about quality. They know that our Nation leads the world in technological advancements in medical science. The University of Utah Medical Center in Salt Lake City is one of the preeminent centers in the world for innovations in the treatment of such complex medical conditions as heart disease and cancer, as well as being one of the world leaders in genetic research.

The people of Utah also care about choice. They believe that all Americans should continue to have the freedom to select the medical care that best meets their individual needs. They know all too well that the role of Government has a finite place in the larger scheme of health care delivery.

The people of Utah sent me to the Senate as their representative to make decisions that benefit all the people. And as my colleagues know all too well, there are no easy solutions to the complex issues addressed in reforming health care.

This legislation will ultimately impact the lives of every man, woman, and child in our great country. No one will be spared. The practical implications of this bill are simply staggering—one-seventh of the U.S. economy is going to be restructured. If the

Mitchell bill passes, it will be one-fifth of the GDP, by the year 2000 or shortly after. It is nearly \$1.2 trillion.

Its impact would likely be felt for generations to come—well into the next millennium.

The bill has been described as the most significant piece of legislation since the establishment of the Social Security Act. Some say that it may be the most important piece of legislation considered in this century.

Indeed, we should not underestimate the magnitude of the task before us. It has been an extraordinary endeavor. In spite of what ultimately happens in the next several weeks, I believe that the American people have benefited from the enormous amount of time and energy Congress has devoted in examining our health care system.

As a member of the Labor and Human Resources Committee, the Finance Committee, and the Judiciary Committee, I have had a unique opportunity to be involved in the development of health care reform legislation. Each of these committees played a major role in developing the various proposals that have not brought us to this moment on the Senate floor.

As my colleagues, particularly those on the Labor and Human Resources and Finance Committees know all too well, this has not been an easy process by any stretch of the imagination.

The Labor and Human Resources Committee held 46 days of full committee hearings over the past year and heard the testimony of countless witnesses. We held hearings on issues ranging from the consolidation of the 19 different Federal core functions of the public health programs, to the issue of creating new categorical grant programs aimed at addressing the needs of medically underserved populations—an issue, I might add, that is of critical importance to Utah.

We focused on the merits of a standard Federal benefits package as well as the categories of provider services covered in a benefits package. We focused on the methodology that would be needed to determine how those services would be included in such a package.

On June 9, 1994, after nearly 3 weeks of marathon markup sessions that began on May 18, the Labor Committee reported the Clinton-Kennedy Health Security Act by a vote of 11 to 6.

I was one of the six Senators who voted against reporting the bill. It was unfortunate that the Democrats on the committee, who comprise a majority, repeatedly rejected amendments to lessen the regulatory and bureaucratic grasp this legislation would have on America's health care system.

Following the action by the Labor Committee, the Finance Committee began its markup of another version of the Clinton bill. There was considerable expectation and hope that a bill with fewer Government controls, fewer

Government mandates, and fewer taxes would be adopted.

The Finance Committee held 36 days of hearings and heard from 143 witnesses representing all aspects of health care.

We heard about the imposition of Government mandates on individuals and businesses, about the effects of so-called global budgets on the delivery of health care, about cuts in the Medicare and Medicaid Programs, on insurance reforms and the effects of guaranteed issue and renewability, as well as limits on preexisting condition exclusions.

We heard about quality from the Nation's leading health care quality scholar, Dr. Brent James.

We heard about the establishment of low-income subsidies for individuals and families; about cost-containment including the imposition of taxes on individuals, on companies, on insurance premiums, and on guns, bullets, and tobacco.

On July 2, 1994, the Finance Committee reported its version of the Clinton health care bill by a vote of 12 to 8. And, once again, the same kind of Government-run approach to reform, as proposed by President Clinton, was embodied in the legislation as reported by the Finance Committee. The prospect for meaningful reform was, once again, thwarted.

I believe that true reform should rely less on Government control and more on economic incentives that leave health care decisions in the hands of individuals, and not with someone in Washington, DC.

We should address the problems in the system and fix what is broken. We should not overhaul the entire system in the name of reform. To do so will jeopardize the standard of excellence which is the hallmark of American health care.

The distinguished Senator from Ohio said there are some who are saying "no," they are naysayers; they do not want anything. I do not know of anybody on the floor in the Senate right now who is saying "no." Everybody agrees we need to do something to help the 14 percent who do not currently have health insurance. The question is, how do you do it with more Government, with more governmental programs, with more Government approaches, more mandates, more controls over the States, and less incentives for free market reform? That is what these bills do. Yet none of the bills reported by the House and Senate committees, as liberal as they are, went far enough for the President and the First Lady, I might add. And so, we find ourselves on this day in August not with a bill reported by the Finance or Labor Committees, but with an entirely new piece of legislation which is only days old.

This is a brand new bill, a melding, if you will, or attempt to meld from the

Labor and Human Resources Committee and the Finance Committee what they had done.

The latest version of this bill is 1,443 pages long—79 pages longer than President Clinton's original legislation. And yet, we are being forced to make decisions, of historic importance, with as little as 1 week in which to analyze the bill's full implication and costs ramifications.

This is not how the legislative process should work. It is the legislative process at its worst. The manner in which this bill has been hurriedly drafted and presented to the American people, and to the U.S. Congress, has been more out of the need for political expediency by the President, than by a need for reform. In a very real sense, our actions may serve to irreparably damage the viability and integrity of the world's preeminent health care system which the proponents of this bill claim to be reforming.

I would remind my colleagues, it was not by government intervention that the health care system of the United States became the finest in the world. It is the world's finest because the system has evolved in an environment relatively free from excessive government control and social engineering.

I do not subscribe to the proposition that a Federal takeover of health care is what the American people want. I am fearful that the shouts for reform by the President and his lieutenants in the Congress will drown-out reason and prudence in addressing the real problems of our health care system.

The Clinton-Mitchell bill is fundamentally flawed. It will unravel the very fabric of health care as we know it, and by then it will be too late to correct the damage we have done.

Make no mistake about it, the Clinton-Mitchell bill is health care reform. But I can assure you, it is not the kind of reform that the American people need, or want.

This bill contains sweeping and contentious provisions. Many of the key elements were cobbled together at the last minute during hurried committee markup sessions and are barely understood even by their sponsors—let alone the American people.

The distinguished majority leader has stated that his bill is nothing new. He said his bill encompasses many of the same provisions in other bills as reported from the Finance, and Labor and Human Resources Committees. Well, when I see the Mitchell bill, the Gephardt bill, the single-payor bill, and all the others which seem to be coming down the pike daily, I am reminded of that old saying: "It's sad when cousins marry."

The Clinton-Mitchell bill proposes to expand health care coverage to millions more Americans which is a goal I certainly share. But the bill's prescription for health care reform includes

massive doses of new taxes as well as new levels of spending and government intrusion which I believe most Americans will find totally unacceptable.

The bill imposes at least 18 new taxes, including a tax on health insurance premiums. These 18 new taxes will hit health insurance plans, flexible spending accounts, Medicare beneficiaries, and State and local government workers with hundreds of millions of dollars in new taxes.

And who do you suppose is ultimately going to bear the burden of this tax? I will tell you: It is going to be the person who cannot pass the cost increase on to anyone else—health care consumers and employees all over America.

This bill contains what amounts to price controls on health insurance. The bill imposes several taxes on health insurance premiums, including a complicated levy on plans whose premiums grow at rates faster than the government prescribes.

The Clinton-Mitchell bill bans self-insurance for companies with fewer than 500 employees. Self-insurance is a classic success story of how companies control health care expenditures. This is working for an estimated 21 million employees and their dependents at over 400,000 small- and medium-size companies throughout America.

These beneficiaries are very happy with their current insurance arrangements. Yet, under the Mitchell bill, all of those plans will be terminated, and these individuals will be forced to purchase their health care through government sponsored health alliances that will establish a one-size-fits-all benefits plan.

If we have programs like self-insurance that are successfully controlling health care costs, and serving to expand health care coverage to more Americans, then I simply cannot understand the logic in not allowing these programs to continue. And I can assure my colleagues on the other side, that once these plans are terminated, you will certainly be hearing from those individuals.

I received a fax just last week from the Seniors Coalition expressing their concern over this legislation. They are concerned about the Medicare cuts in the Mitchell bill, as am I. The sponsors say these cuts are only in reimbursements to providers and not in benefits. As the fax for this organization clearly points out:

Reducing reimbursements to doctors and hospitals will lead to a simultaneous degradation in the quality and quantity of care to Medicare patients which will exacerbate the cost-shifting problems already caused by Medicare.

We all know doctors are refusing to take Medicare patients because of their low reimbursement rates and that is going to get worse if this bill passes. And the Medicare recipients will be the ones hurt.

These are just a few examples of the so-called reforms, showing the pay-more-get-less effect of this legislation.

I hope all Americans become familiar with the other provisions contained in this massive piece of legislation, which has been crafted in the name of reform.

As I stand here today on the Senate floor, I can look up to the gallery where I see hundreds of people observing these proceedings. Most of them are visitors from across America.

And, like many Americans during these long, hot days of August, they are spending more time with family and friends, and taking some time off from otherwise hectic daily schedules.

Millions of other Americans are watching these proceedings on television. All of us are united in our concern over the outcome of this historic debate.

But I can assure you that the crescendo of public concern over health care reform has not waned during this traditional time for family vacations. Thousands of letters from citizens in my State and from across the country continue to pour in.

The overwhelming message is for reform, but against a Clinton-like structure as embodied in the legislation before us today. There is also overwhelming support, nearly 64 percent in recent public opinion polls, for Congress to take a careful and deliberate course of action that will not harm our current system.

I have been impressed with both the number and substance of the letters I have received on the issue of health care reform. Some have been very direct and short. Other letters have afforded me with an opportunity to learn first-hand the thoughts and feelings of people who have truly been affected by the strengths, and weaknesses, of our health care system.

One such letter in that category was from Rodney Ririe of Provo, UT. He is a young man with many hopes and ambitions. He is not unlike any one of us in this Chamber. Yet, his life has been filled with the kind of pain only few people can imagine and, indeed, most of us fear.

On June 10, 1994, he wrote to me regarding his views on health care reform. It was a five page letter—typed—and single-spaced. I am not going to read the entire letter. But I am compelled to share an excerpt with my colleagues in the Senate.

I do not ask that you agree or disagree with what he says. I only ask that you listen to what he says.

He writes:

I am writing with regard to some serious concerns related to health care issues that currently face our Government. Before proceeding, however, let me give you a brief idea of my background, so that perhaps you might better understand where I come from.

Currently, I am a college student attending Brigham Young University, where I have been for the past five years. Part of the rea-

son I have not yet graduated is because of my health. You see, when I was five years old, I suffered a near-fatal heart attack.

Before that time, doctors thought of me as a normal, healthy five-year-old child. Doctors diagnosed me as having a form of "cardiomyopathy" or disease of the heart which affects the development of the muscle walls. Four years later, I had another heart attack, three more at age eleven, and two at age twelve—a total of seven heart attacks in my brief life.

He continues:

At age 17, I underwent a heart transplant operation. Since that time, I have been mostly healthy until about a year ago. Doctors have recently discovered that I am suffering from a form of coronary artery disease commonly found in transplant recipients, for which they say I will need a second transplant within the next several months.

As you can imagine, paying for these things has been a burden on my parents and family. Fortunately, we have had good insurance in the past, but with my pre-existing condition, premiums have been all but expensive, and in an effort to keep the premiums as low as possible, we chase higher deductibles. My father will retire in two years (at age 68) a poor man, devoting nearly all his savings to help pay for my care.

In May of 1995, I will turn 26 years old which will disqualify me as a dependent on my parent's insurance policy. With my current medical expenses costing between \$40,000 and \$60,000 a year, the onslaught of another transplant, and the fact that no insurance company in the country will pick me up, this places the entire financial burden on me, a part-time college student who works in part-time job making \$5.90 an hour.

Finally, at the end of his letter, he states:

With this background in mind, I write you not seeking sympathy of any kind, but rather to express my heart-felt opinion on the subject of health care. From one who has experienced so much, you might expect this letter to be from one in favor of President Clinton's health care proposal. In fact, there could not possibly be a greater opponent of this plan.

It's sad, but in the past when my government has made a decision I disagreed with, I passively did nothing, thinking that the decision would not really inconvenience me, or affect me directly except for having to pay a few more dollars in taxes. But with this issue, I cannot be silent.

I oppose the plan for several reasons—many of them personal—but most of them out of simple common sense. For as long as I can remember, the United States has always been on the cutting edge of the latest advances in medicine. Truly, had I not been born and raised in this country with the problems I have had, I know I would not be sitting here now.

With the plan Mr. Clinton proposes, I feel strongly that with a lack of research funds, the U.S. will quickly fall from its prestigious place in the world of medicine. The plan does not yet acknowledge how to pay for itself, let alone further research in health care.

The PRESIDENT pro tempore. The Chair will interrupt the Senator to say that, unless the time is extended by unanimous consent, there is an order for recessing the Senate after this hour.

Mr. HATCH. Mr. President, I ask unanimous consent through the Chair,

then, that we be granted another 10 minutes.

The PRESIDENT pro tempore. Would the Senator speak just a bit louder, please?

Mr. HATCH. I ask for another 10 minutes by unanimous consent.

The PRESIDENT pro tempore. Is there objection?

Mr. DORGAN. Reserving the right to object and I shall not object, I wonder if the Senator from Utah would do me the courtesy, as he extends his time, including in his unanimous consent, that I be recognized to speak when the Senate reconvenes at 2:15?

Mr. HATCH. I apologize, but we do have an objection here because there have been three speakers over there to one over here. I have no personal problem.

Mr. MOYNIHAN. No, no, there have been two. We are alternating as we can.

Let me make the request. We are alternating.

Mr. HATCH. I think the Senator ought to be able to speak at 2:15, then maybe we can go to a Republican after that.

Mr. MOYNIHAN. Sure.

The PRESIDENT pro tempore. Unless the Chair be misunderstood, there is no order for alternating.

Mr. MOYNIHAN. Yes.

Mr. HATCH. We have been following that.

Mr. MOYNIHAN. Mr. President, would it be in order for me to ask unanimous consent that at the conclusion of our recess for the caucuses that Senator DORGAN be recognized?

The PRESIDENT pro tempore. It would be in order.

Mr. COATS. Reserving the right to object, and I am not going to object either, I just want to make note of the fact that yesterday evening, the majority leader—

The PRESIDENT pro tempore. Let the Chair interrupt the Senator. The first request is before the Senate and has not been acted upon; that request being that the time at this point be extended 10 minutes. Is there objection? The Chair hears no objection. The Senator from Utah is recognized for 10 minutes.

Now, the second request, if the Senator from Utah will yield for that purpose.

Mr. HATCH. I do yield for that purpose.

The PRESIDENT pro tempore. The second request is that Mr. DORGAN be recognized upon the reconvening of the Senate, following the recess, at 2:15 p.m. today. Is there objection? The Chair hears no objection, and it is so ordered.

The Senator from Utah is recognized. Mr. COATS. Will the Senator from Utah yield for 30 seconds?

Mr. HATCH. Sure.

Mr. COATS. Mr. President, I thank the Senator from Utah. I want to make

the point that last evening the majority leader said on a number of occasions that Republicans were filibustering the bill, and yet we seem to be proceeding here in the same way we proceeded for the last several days, and that is, we have been alternating between Republicans and Democrats who wish to speak on the bill, who are doing that again today.

The Senator from North Dakota has asked for time, as have several of his colleagues today. The Republicans have granted that. We are all trying to understand this bill which has immense implications for the people of this country. I do not see any semblance of what was described last evening as a Republican filibuster. I thank the Senator from Utah.

Mr. HATCH. Mr. President, I have been reading from a letter of this young man, who has had seven heart attacks and now is facing a second transplant, as to why he opposes the Clinton health care program. You would think that he would not.

Let me continue.

He further states:

Senator, I cannot emphasize enough how extremely important this issue is to me. It is important for me and for many others, I'm sure, to be able to choose the doctors they want to see and to be assured the same quality health care they've been expecting and received for so long. I honestly fear the passage of this bill; I know it is not the answer, and I hope you do to.

This is a young man who has gone through so much all of his life and, to be honest with you, I was very touched by his letter.

Mr. President, I ask unanimous consent that his full letter be printed at the conclusion of my formal remarks in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HATCH. Mr. President, as Rodney clearly and so eloquently states, this issue is just too important for "politics as usual." As Rodney Ririe further states at the end of his letter, "I pray you will remember why I sent you to Washington—to represent me not the President."

For Rodney Ririe, and many others like him, we can act and correct the fundamental problems with the system.

For instance, most of us agree that we need insurance market reform. On this one issue, there is almost unanimous support to provide for guaranteed issue of all health insurance plans regardless of the individual's health status, or other risk factors.

We need to ensure portability so that persons do not lose their insurance if they change jobs or are faced with unemployment. These few steps along would lead to greater health care coverage for millions of more Americans.

Another area of reform concerns medical malpractice and antitrust re-

form. Both of these issues involve costly regulation of the health care market which, in turn, serves to drive up the costs of health care services for all of us.

Unlike most regulation, though, the regulation in these areas is left largely to the courts where decisionmaking is incremental, often unpredictable, and always expensive. The results are often inconsistent, and not just across jurisdiction.

There is widespread agreement on the need to reform our medical malpractice laws. The estimated 1991 costs of defensive medicine range from \$4 to \$25 billion according to the National Medical Liability Reform Coalition. More recent estimates place this year's impact at close to \$30 billion.

Medical liability premiums contributed an estimated \$9.2 billion to the cost of health care in 1991. What is more staggering is that only 43 percent of each dollar spent on liability litigation reaches the patients; the rest is spent on so-called overhead, such as attorneys' fees.

And yet, the medical malpractice provisions in the Clinton-Mitchell bill have rightly been called the Mitchell Trial Lawyer's Full Employment Act. This bill creates, at least 15 new Federal causes of action and 7 new Federal crimes.

In addition, the bill as drafted proposes to undo any reforms that have been achieved in the States while imposing new costs on the litigation system. These so-called "reforms" will, in effect, hurt malpractice victims as well as all patients, by driving up the costs of health care, and escalating liability litigation.

Antitrust works in the same way and has the same problems as the malpractice system. The antitrust laws are intended to ensure that markets are free to function in their most efficient ways. But make no mistake, antitrust is regulation. Too much antitrust enforcement is just as dangerous to health markets as too little.

Antitrust is a complicated area of the law, and violations carry large penalties. Antitrust counsel is expensive, and antitrust litigation costs can be crippling to small entities. Providers, especially small and rural providers, are very concerned about the dangers of antitrust litigation.

As we consider massive restructuring of the health care market, we need to reduce antitrust uncertainty that will, undoubtedly, be exacerbated by reform.

We are all aware of the problems. At the hearings in the Finance Committee earlier this year, Senators MITCHELL, BAUCUS, and ROCKEFELLER pointed out the real concerns of rural providers in their States. Senator CHAFEE expressed to witnesses from the Federal Trade Commission about the frustrations providers feel.

For example, if two rural hospitals decided to discuss the mutual allocation of special services in order to

achieve some economies of scale, they could be liable to an antitrust challenge simply because they had established a possible conduit for sharing price and billing information.

Many other providers face the same kinds of risks if they wish to come together to compete with other groups. Home health care providers, nurses, and nurse anesthetists all equally face the challenges of a changing market in which competition itself will force greater consolidation.

Small groups of rural providers—in fact any small group—simply cannot be expected to hire expensive antitrust attorneys to review and approve every cost-containment option considered. I believe it is in our best interests to see health care providers improve their efficiency by allowing them to eliminate duplicative services.

In my home State of Utah, two hospitals had to spend over \$7 million to prove to the Justice Department that their world-renowned work in pediatrics helped patients—and not harmed them. We have seen millions of dollars—including millions of taxpayer dollars—spent on expensive antitrust litigation. These dollars should have gone toward patient care. Whatever the outcome, the process is too costly and we need to do something about it now.

I think what I am trying to say is this: That we could do a reasonable reform of the health insurance system of this country that will solve most of the problems that we have and get the universal access well above 90 percent and possibly as high as 95 percent. I remember about 3 or 4 months ago, maybe 5 months ago, Roger Altman came to me and met with me in my office. The first words out of his mouth were: "Senator, we know our bill is not going to pass." They knew it then.

But he said one thing: "We have to have 'universal coverage.'" And I mentioned to him, universal coverage happens to be a set of relative terms. He acknowledged that. I said the last 5 percent is so expensive to cover that it is almost impossible to have total universal coverage, and he acknowledged that.

And then I said, "If we would reform the insurance system in this country and make insurance portable, noncancelables, except for fraud or failure to pay, so that we take care of preexisting conditions, we would resolve most of the problems our society has and we would please well over 90 percent of the people in our society and make insurance available to them."

I said that would be a big win for the President, we would all support him, we would get it done, it would be a step toward universal coverage that you probably are not going to be otherwise able to make.

And he looked wistfully at me as though "I wish we could do that."

The fact of the matter is, the reason why we have this huge, massive, con-

voluting piece of legislation that nobody here fully understands and, frankly, is an amalgamation—and a poor one at that—of a variety of plans, is because those who are for that basically want to be able to make the claim that they are taking care of every man, woman and child in America. In fact, they know they are being taken care of now and that we can do a better job of providing care without bankrupting the country or turning all health care over to a one-size-fits-all Federal health care system. Anybody who believes that approach is going to save money really, really does not understand the last 60 years. Anybody who believes that is going to bring health care costs down, is not thinking. And anybody who believes that will make a better health care system than we have today with the partnership between Government and the private sector, I think is loco, to be honest with you.

Another issue that has attracted widespread support is in the area of enhancing our network of community health centers. The Federal costs of community health centers are estimated to be around \$100 per patient per year. It seems to me that we should expand the role of these centers to provide needed care to underserved areas of the country.

As we address the issues of rural health care we should be guided by a simple formula developed by Pamela Atkinson, a vice president at Intermountain Health Care in Utah. Ms. Atkinson is an expert on rural health care. She advises me that the problems associated with the delivery of quality health care in rural America must be guided by the four A's.

They are: affordability, accessibility, availability, and awareness.

We need affordable and accessible services in rural and in urban areas. And, we need available services that include providers, facilities, and the equipment to provide services in a culturally sensitive manner.

It is the awareness issue, however, that has not been discussed much. Pamela informed me that there are normally 950 visits scheduled a month in Intermountain Health Care's community health centers. However, between 150 to 200 patients never show up for their scheduled visits. They just do not understand the importance of early diagnosis and treatment.

I do not know if my other colleagues have heard similar statistics, but I was surprised to learn the extent of this problem. This is especially troubling when you recognize that we are talking about scheduled visits, with so many more individuals who never make the effort to visit in the first place, and who, therefore, never receive needed care.

Obviously, we need to improve health services in these areas by increasing awareness in the community and em-

phasizing health promotion, health prevention, and early detection.

I would also like to comment about the proposed legislation that has been developed by the distinguished Republican leader, Senator DOLE. I strongly support the Republican leaders' bill. It has many important features that go a long way in addressing the needs of those Americans without health insurance.

The bill provides for positive insurance reforms so that people would not have their insurance canceled or their premiums increased because they got sick or lost their job. Individuals would be able to obtain insurance regardless of their medical condition.

The legislation contains many important incentives to control the costs of health care and ensure that all Americans have access to quality and affordable care.

The bill provides for medical savings accounts so that individuals would have greater control over the expenditure of their health care dollars. Third-party insurance would cover catastrophic expenses.

The bill provides for tax fairness so that people who purchase their own insurance would receive the same tax relief as those who obtain insurance through an employer.

Self-insurance by small- and medium-size employers would be permitted to continue. This has become one of the most cost-effective mechanisms employers use to control health care costs. The Dole bill allows that to continue; the Mitchell bill does not.

Overall, Senator DOLE's legislation offers a commonsense solution to the Nation's health care problems. The bill provides health security to the middle class through insurance and market reforms while expanding coverage to low-income and middle-class Americans.

It accomplishes these goals without increased taxes, without expanded bureaucracies, without spending limits imposed by global budgets and price controls, and without employer mandates that ultimately lead to wage and job reductions.

The bill does not contain Government mandates on employers, or individuals, that would require them to purchase insurance whether they want to or not.

There are no mandatory Government health alliances that give Federal and State control over the insurance marketplace.

There are no Federal price controls or global budgets that inevitably will lead to health care rationing, particularly for those most in need.

Mr. President, I look forward to the debate, and I call on all Americans to listen carefully. Your future is at stake.

For the sake of the country, I hope our actions will be guided by the wisdom to do what is right, not what is expedient.

I yield the floor.

EXHIBIT 1

RODNEY E. RIRIE,  
Provo, UT, June 10, 1994.

Senator ORRIN G. HATCH,  
U.S. Senate, Washington, DC.

DEAR SENATOR: I am writing with regard to some serious concerns which I have related to health care issues that currently face our government. Before proceeding, however, let me give you a brief idea of my background, so that perhaps you might better understand where I come from.

Currently, I am a college student attending Brigham Young University, where I have been for the past five years. Part of the reason I have not yet graduated is because of my health. You see, when I was five years old, I suffered a near-fatal heart attack. Before that time, doctors thought me to be a normal, healthy five-year-old child. Doctors diagnosed me as having a form of cardiomyopathy, or disease of the heart which affects the development of the muscle walls. Four years later, I had another heart attack, three more at age eleven and two at age twelve—a total of seven heart attacks in my brief life. Shortly thereafter I became a candidate for a new form of technology known as an Automatic Implantable Cardiac Defibrillator (AICD), and had surgery to implant the experimental device, which I carried inside me for more than five years. At age 14, I suffered a stroke which completely paralyzed my left side for several weeks. And, finally at the age of 17, I underwent a heart transplant operation. Since that time, I have been mostly healthy until about a year ago. Doctors have recently discovered that I am suffering from a form of atherosclerosis (coronary artery disease) commonly found in transplant recipients, for which they said I will need a second transplant within the next several months.

As you can imagine, paying for these things has been a burden on my parents and family. Fortunately, we have had good insurance in the past, but with my pre-existing conditions, premiums have been all but expensive, and in an effort to keep the premiums as low as possible, we chose higher deductibles. I am blessed to have had a father who practices dentistry in my home state of California, that we have had the means to pay for these expenses. However, bills were not paid without sacrifice. My father will retire in two years (at age 68) a poor man, devoting nearly all of his savings to help pay for my care.

In May of 1995, I will turn 26 years old which will disqualify me as a dependent on my parent's insurance policy. With my current medical expenses costing between \$40,000 and \$60,000 a year (\$10,000/year for medication alone), the onslaught of another transplant, and the fact that no insurance company in the country will pick me up, this places the entire financial burden on me, a part-time college student who works a part-time job making \$5.90/hr.

With this background in mind, I write you not seeking sympathy of any kind, but rather to express my heart-felt opinion on the subject of health care. From one who has experienced so much, having seen the inside of literally scores of different hospitals, and observing (and participating in) the system for so long, you might expect this letter to be from one in favor of President Clinton's health care proposal. In fact, there couldn't possibly be a greater opponent of this plan. It's sad, but in the past when my government has made a decision I disagreed with, I passively did nothing, thinking that the deci-

sion wouldn't really inconvenience me, or affect me directly except for having to pay a few more dollars in taxes. But with this issue, I cannot be silent. It is also sad that such an issue has become so politically polluted, becoming nothing more than a Washington boxing match between the isles of Congress. Health care—people's lives—are not to be used as pawns for a political battle for power on Capitol Hill.

I oppose the plan for several reasons—many of them personal—but most of them out of simple common sense. For as long as I can remember, the United States has always been on the cutting edge of the latest advances in medicine. Truly, had I not been born and raised in this country with the problems I have had, I know I would not be sitting here now. With the plan Mr. Clinton proposes, I feel strongly that with a lack of research funds, the United States will quickly fall from its prestigious place in the world of medicine. Evidences of this are everywhere. The plan does not yet acknowledge how to pay for itself yet, let alone further research in health care.

The plan boasts "security" by "providing every American with comprehensive health benefits." This obviously means everyone is guaranteed coverage whether one can pay for it or not. I fear there will be many who will take the attitude that "if I'm going to be covered no matter what, then why pay for it at all? After all, it's guaranteed."

Not only will there be a flagrant misuse of the system, but it will bankrupt many small business owners as well. Businesses large and small will find the burden of paying for employees' health care overwhelming, and will opt for layoffs over benefits. From what I understand, the Clinton's conservative estimate on unemployment will be "minimal"—perhaps only 600,000 people will lose their jobs. Recently, my father returned from a meeting with his accountant where the topic was the governmental health care system. The accountant admitted that he didn't have all of the information available, but with the estimates had at that time, he forecast costs in the neighborhood of \$400 per month per employee. With my father's small business of only eight employees, that figure translates to a whopping \$38,000 per year—enough to seriously damage my father's business, forcing him to not only lay off competent employees, but also raise his dental fees, which many complain are too high now.

And what happens when we do run out of the amount budgeted for the health-care year? Do we begin rationing care by closing hospitals and denying citizens the care we promised them? I read an article recently from a Toronto newspaper (sent to me by a friend) that reported the Canadian government was running low on funds for their health care program, and that to remedy the situation, they were not only rationing care (postponing badly needed treatments), but closing hospitals—denying their citizens the care promised and paid for. A recent article in the March 1994 Reader's Digest confirms this and further informs readers that the Clinton bill "specifies heavy criminal penalties (fines, seizures of property, long prison terms) for 'bribery and graft in connection of health care.'" Surely, if they are anticipating bribes, they must also undoubtedly be anticipating shortages and rationing. Why else would they impose such stiff penalties?

Besides the monetary aspect, there are the new bureaucracies that will undoubtedly be formed. Some conservative estimates place the number at 105 new government entities with a minimum of 50,000 new public employ-

ees to further enlarge our already over-sized government. If this is true, then the plan promises to be nothing more than another agency of red-tape, long lines, and bureaucratic mumbo-jumbo. This country needs less government \*\*\* NOT more.

Basic economic principles tell us that nearly every time you take something away from the government and give it to the private sector to operate, free enterprise prevails offering individuals a greater quality of a product or service, better prices, and the choices we Americans demand. If this plan goes through, the opposite will no doubt take effect. The choices will be severely limited (regardless of what they say—the plan basically spells it out). The prices may be controlled (lowered) by the government, but with all of the governmental agencies, alliances, paperwork, and other inefficiencies the government has shown throughout the years, the overall costs can't help but be more than what they are today. And, I believe, and this is the main point I wish to stress in this letter—the one point I feel more concern for over any other—the quality of care will drastically decline.

Under the managed care (or HMO) system proposed by the President's plan, patients' choices will be minimal and the care itself will deteriorate. In a traditional managed care system, doctors are paid a flat rate for each patient they see each month. Therefore, they have no incentive to see the same patient, sick as he may be, more than once a month. Surely this keeps costs down, but who really comes out ahead? Under similar plans in California, doctors hired by HMOs are paid a flat salary, regardless of the number of patients they see, or the number of procedures they perform. With this way of thinking, doctors could easily adopt a careless attitude, reasoning that they can give quality work, or "shoddy" work, and either way, they still get the same pay. Essentially they are worry free when the employer pays all their malpractice and other expenses. I feel strongly that while HMOs do save money in preventative care and other budget-cutting programs, the quality of care is severely compromised, and care is what health care is all about.

To illustrate this point: My roommate recently had two visitors from Great Britain. Being their first time in the United States, they had many questions about government, etc. and were especially interested in the direction the country was heading with the health care issue. We discussed this at length and they explained that in Britain, people have the choice of private or government health care providers. Ironically, one of the visitors had frequently chosen the government form of care to save money, and the other had chosen private. As they spoke, it became very evident that the visitor who had the private providers, was much more satisfied, and had had quality care, while the other spoke of long lines, poor care (her dental work was visibly bad), and a genuine lack of personalized service and caring that we are so accustomed to as Americans. Again and again she told us how fortunate we were to have a private system of health care.

Senator, I cannot emphasize enough how extremely important this issue is to me. I have seen hundreds of doctors in my lifetime. Each time I find one I'm not satisfied with, I have the option of going to another. Obviously, we as Americans want the best possible care available. And if doctors have no incentive to work harder, or to go the extra mile, to "produce the best possible product," the care itself can't help but become compromised.

I have a doctor I see every six or eight months for a procedure known as a biopsy, where small pieces of heart tissue are pulled out through a vein in my neck to be analyzed for possible rejection. The procedure takes only 10-15 minutes, and is fairly uncomfortable. Over the past seven years I have had my new heart. I have watched the doctor's fee for this procedure rise from \$550 to over \$1400 (aside from the hospital charges). At first, this upset me to think that he does exactly the same thing each time, and in only a seven year period, the fee had more than doubled! But the more I thought about it, the more I had to agree with it. Although it is very difficult to pay these fees and would be next to impossible without insurance, I have to admire him. Those fees are his incentive for continuing to do a quality job with the least amount of physical discomfort, providing the most comfortable atmosphere possible for the patient, and maintaining a good, strong, positive attitude all along. I have had dozens of different doctors perform this procedure on me. While serving a two year mission for the LDS church in Boston, I was seen at Harvard Medical School's Brigham and Women's Hospital, where I never saw the same doctor twice. While attending BYU, I've been to University Hospital in Salt Lake City and had the same procedures performed there. But each time I see someone else, I always go back to my original doctor. Why? Because he cares! He knows my condition, my fears, my history—everything about me, and does everything in his power to make me feel comfortable. So I pay him for that.

It is important for me and for many others, I'm sure, to be able to choose the doctors they want to see and be assured the same quality health care they've been expecting and received for so long.

I truly think that if you were to take a random sample of Americans, they would agree that something has to be done. We can't continue to let these costs soar. I believe they would also tell you that the White House's plan is not the cure to what ails this problem. I certainly don't have any answers nor do I propose any solutions, but I do know this: that President Clinton's plan is not the answer. It simply won't work. It will cost billions and billions of dollars we don't have, and will place the health care of Americans in jeopardy.

Lately the news media has reported that things are slowly coming to a head on Capitol Hill and the vote is likely to occur sometime in August or September. I get the impression from these reports that a majority of Congress is leaning in favor of the President's plan hoping that by simply voting on the issue, the problem will go away. Truly something of this magnitude needs to be studied much more carefully. We need more brainstorming, more proposals, and not simply jump at the first plan but before us. As I look back on President Clinton's track record, I must admit it is an impressive one. He has narrowly passed nearly every major bill he has proposed. His strategy seems always to be the same: pull the fence-sitters into his office (behind closed doors) and push push until he gets the one vote he needs to pass.

Now I realize that nothing I have written is new to you, that you must get thousands of these letters each day, but Senator, I fear for the future. I honestly fear the passage of this bill. I urge you to please consider the needs of this great nation before any personal political agenda you may have regarding this issue. As I mentioned before, this

issue is just too important for "politics as usual." I urge you to please vote against the Clinton Health Security Act, and hope that you will urge your colleagues to do the same. And if by chance, the President calls you to his oval office and does whatever he does behind those closed doors, I pray you will remember why I sent you to Washington—to represent me—not the President.

As for me, I honestly don't know what I'm going to do when next May rolls around and I lose my insurance. I have faith that something positive will happen and my needs will be met. But I do know that this plan is not the answer, and I hope you do to.

Respectfully yours,

RODNEY E. RINE.

#### RECESS UNTIL 2:15 P.M.

The PRESIDENT pro tempore. Under the order, the Senate will now stand in recess until the hour of 2:15 p.m. today, at which time the Senate will resume consideration of the pending matter and the Senator from North Dakota will be recognized.

Thereupon, at 12:40 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BYRD).

The PRESIDENT pro tempore. Under the order previously entered, the Senator from North Dakota [Mr. DORGAN], is recognized.

Mr. DORGAN. Mr. President, thank you very much.

#### THE FEDERAL RESERVE BOARD

Mr. DORGAN. Mr. President, I am told by my young son—and I believe him to be accurate because he knows more about dinosaurs than most anyone I know—that the largest living thing ever to have roamed the Earth is a dinosaur called the Brontosaurus. The Brontosaurus was apparently as large or nearly as large as an 18-wheeler truck with a brain no bigger than the size of my fist.

Using dinosaurs as a comparison, the Federal Reserve Board, which is a remaining dinosaur on our Government, today, took action to increase interest rates by one-half of 1 percent once again. I will not describe the brainpower it took to do that because we have a lot of people who have good academic credentials, and I think they are plenty smart, down at the Federal Reserve Board. But it surely is an institutional dinosaur. It is a large central agency accountable to no one in this country.

The Federal Reserve Board met this morning in secret, behind closed doors, and took action to hike interest rates by one-half of 1 percent. The Fed's best friends are the big-money central banks, and they serve that constituency faithfully, I guess.

This is the fifth time in 7 months they have increased interest rates in our country. It is an outrage. Do they live in a different world down at the

Federal Reserve Board? Do they breathe different air or lack oxygen when they make decisions? What on Earth would allow them to conclude that what we need to do is increase interest rates at a time when—coming out of a recession—we have gotten toward cruising speed in our economy, but are beginning to slow down because of previous actions of the Fed? Nevertheless, they take more action to put the brakes on the American economy. It is exactly the wrong solution at the wrong time.

There is no credible evidence of inflation. For 4 successive years inflation has decreased, and it continues today. The action by the Fed is wrongheaded, and it will hurt this country.

Inasmuch as we created this institution early this century, I hope that enough of us care about what they are doing to decide to reform the Federal Reserve Board. It is now a strong central bank accountable to no one. It recognizes and pays homage to the big money center banks and to those vested interests in this country that have wealth. They take action to support and to nurture their interests at the very time the action injures the interests of most American families, and Main Street businesses.

Mr. President, I needed to say that because the Fed just in the last hour, raised interest rates which will be a tax on every American family. It is bad public policy. We cannot do much about this at this moment because it is unaccountable. But we ought to do something in the long term to reform this institution so it is more accountable to the American people.

#### HEALTH CARE REFORM AND THE HEALTH SECURITY ACT

Mr. DORGAN. Mr. President, let me go on to the subject for which I sought time today in the U.S. Senate. The subject of health care, hospitals, and all of the issues that surround the issue is very difficult for me to talk about because of the significant tragedies in our family that are attached to the health care system; sitting night after night and day after day in intensive care waiting rooms, and praying for miracles and the breathtaking and spectacular changes in medicine that will save someone you love, and it does not work and does not happen.

I cannot talk very much about it except to tell you that I fully understand that when someone you love is in trouble and has a health care problem, cost is not an issue. The cost of the operation, the cost of the surgeon, the cost of hospitalization, the cost of the very best technology available anywhere in the country is not an issue. It does not matter. You want someone to save the life of someone you love. That is kind of what health care is today, breathtaking, spectacular advances to do

things we never before thought possible. People whose lungs are not functioning and whose heart is gone get a double lung and heart transplant. The definition of a dead person was once somebody whose heart was not working and lungs were gone. Now we can transplant a new heart and lungs all at once. It is breathtaking.

Those are the spectacular successes we read about and know about. There are just as many spectacular failures. All along the way, enormous amounts of money are spent in various ways to try and advance medical care. Some of it is routine, the ordinary daily health care services people need. Some is on the cutting edge of new technology, trying to save lives that we before could not save.

I grew up in a town that had a doctor—one doctor. There were 350 people in my hometown. He was old Dr. S.W. Hill, a wonderful man, who came there and stayed 55 years. Our neighbor took his kid, Alton Ivy, to the doctor because his tooth ached. We did not have a dentist in my hometown. Doc Hill looked at Alton and got him to open his mouth, and he decided he had to have a tooth pulled, so Doc pulled out Alton's tooth. The problem was Doc Hill pulled the wrong tooth. Alton's dad was pretty upset, and the doctor explained that he did the best he could; he was not a dentist, and he sometimes made mistakes. With Alton, he pulled the wrong tooth.

My opinion about health care in this debate is that there is clearly a national ache of significant proportions. You cannot ignore that. But, we have to be careful not to pull the wrong tooth. I am worried that may be what we are about to do.

I would like to present some information today that I hope my colleagues will consider as we try to respond to this issue and decide what to do with respect to health care reform. There are those around here who say, well, let us essentially do nothing and let the market system take care of this. Let us be happy and do nothing. That is the easiest possible solution, to do nothing. That would not be the right approach. We must do something.

Too many people are without coverage. Too many people are sick for whom health care is not readily available. We must especially do something about costs. We are responding when the issue is skyrocketing costs in health care by talking largely about coverage. And that, I think, is the weakness of our approach. Is coverage important? Absolutely. Health care coverage is essential. I will talk more about that in a minute. But cost is what is driving this problem. As health care costs skyrocket month after month and year after year, it takes health care out of the reach of far too many American families. If we do not do something about the skyrocketing

costs we are chasing, we will not succeed in expanding health care coverage because health care will always cost too much.

It is not that coverage is not a problem. It clearly is. We need, it seems to me, to make certain every American has access to health care. I believe health care ought to be a fundamental right. Some particular child today ought not to have a circumstance exist where whether that child gets to a hospital or clinic is a function of how much money that child's mother or father has.

So coverage is an issue. Yes, we ought to address coverage, and we ought to have universal health care coverage. There is no question about that. But the relentless, gripping, nagging problem of escalating, skyrocketing health care costs, if ignored, will mean we will never attain universal coverage in our country. It will mean that families and employers and the governments that finance the Medicare and Medicaid programs will simply not be able to contain the monster that is eating away at our ability to pay for health care, and that is skyrocketing costs.

In short, we are answering the wrong question first. People want something done to bring down the cost of health care. And we are telling them that with a new program, we can increase the coverage of health care now. But can we do that without controlling costs? No, I do not think so. I do not think it is possible.

The appetite for health care in this country is inexhaustible. We all know that. If you have breast cancer and have a 10- or 20-percent chance of a cure with an experimental operation, a bone marrow transplant that will cost \$250,000, if it is you, do you want somebody to pay that \$150,000 or \$250,000? Of course, you do. There is an inexhaustible demand for health care.

If you go to the cafe in my hometown and ask people about health care, I will tell you what you will discover: A discussion and a conversation about cost. They will ask, "Why does it cost \$300 to get three stitches put in your index finger?" That is what one North Dakotan asked. "Why did it cost \$18,000 for 3 days in a hospital?" The hospital bill including the use of an operating room for 4 hours without the physician fee, was \$18,000. Why did it cost that much? "Why did it cost," they will ask, as Judy did, "\$10,300 for a 3-day stay in a hospital last month?" Or "Why did it cost," Tricia asked, "for outpatient surgery, with a hospital stay from 8 a.m. to 2 p.m. on the same day, \$13,000?"

How did hospital prices increase 413 percent from 1980 to 1991? The average total charge per day for inpatient care in hospitals for a Medicare beneficiary is \$1,230. Yet, a third of our hospital beds are empty, and many of those hos-

pitals that are not full are expanding and building. A 1993 study found hospital expenditures per day to be over \$1,000 in the United States; \$400 in Canada; and less than \$250 a day in France, Germany, Japan, and Great Britain. And physician fees are extremely high as well.

In 1989, U.S. physicians, on average, had incomes more than three times their British, French, Swedish, and Japanese counterparts. In 1990, the Canadian Province of British Columbia arranged for some Seattle hospitals to do open heart surgery for some Canadian patients. The surgeons were paid \$4,500 for the heart surgery done in Seattle. A surgeon would have gotten \$2,500 for exactly the same surgery in Canada. And actually, the fee for a United States consumer in Seattle for that same surgery would have been \$6,000, but the Canadians were able to negotiate a better deal. I note that the ratio of physician income to an average person's overall income in the United States is 5 to 1; compared to 3.7 to 1 in Canada; 4.3 to 1 in Germany; and 2.3 to 1 in Great Britain.

I asked if I could get some information on the comparative costs of procedures, operations such as a tonsillectomy, appendectomy, or a hysterectomy, here in the United States and other nations. There is not much information but CRS was able to find this comparison of Canada to the United States. A coronary artery bypass cost \$16,000 in Canada and \$38,300 in the United States. A cesarean section was \$3,700 in Canada and \$6,700 in the United States. An appendectomy, uncomplicated, was \$2,500 in Canada and \$5,700 in the United States.

I have mentioned this before, and I will do it again very quickly. I have talked several times about prescription drug costs. Let me just refer to a couple of charts that I have shown Members of the Senate before. Valium is certainly a drug that is familiar to a lot of the American people. The same drug, by the company, selling the same pill, in the same bottle, costs \$4 in Sweden, \$4 in Great Britain, and \$9 in Canada. For the same dose of the same pill, made by the same company, they charge \$49 in the United States. They say to the U.S. consumer: If you need Valium from us, we have a separate way we charge. We are going to charge you 10 times more than we charge other consumers.

Here is another comparison. I have a grid sheet of wholesale price ratios for 20 of the 100 top-selling drugs in the United States. Inderal is \$34 in Sweden, \$43 in the United Kingdom, \$122 in Canada, and \$428 in the United States for exactly the same number of pills produced by the same company and sold in these different countries.

There is Xanax, a drug prescribed for anxiety. As you can see on the chart—\$10, \$15, \$20, but for the U.S. consumer, a special deal, they overprice it.

I have many of these charts. When I offer an amendment on this subject I intend to go through them in some detail.

Finally, Premarin, an estrogen replacement, the largest selling drug in this country, as a matter of fact. In Sweden it wholesales for \$93, the same bottle, the same pills produced by the same manufacturer; \$100 in Great Britain; but they say to the United States consumer you get a special price from us—triple—we triple the price.

Physician fees, hospital costs, prescription drug costs—people are worried about prices. The cost of health care keeps rising. The salaries of hospital administrators—but first, the salaries of prescription drug manufacturers. They say they need these prices for research and development. The CEO of one major drug company makes as much in a year as the combined salary of every Senator serving in the U.S. Senate. He makes as much money by noon in one day as the average American worker makes working all year long.

One insurance company executive is paid \$52.8 million. The CEO of one Blue Cross/Blue Shield plan, an empire that was losing money hand over fist, was making \$600,000 a year. Another CEO of a Blue Cross/Blue Shield plan was making \$800,000 a year. Another one made \$1 million last year. Another Blue Cross/Blue Shield CEO got a \$4.6 million retirement package.

Cost is the issue. In every stage of this debate, why does health care cost so much?

The fact is we do not have a system in which price is the competitive regulating mechanism that is normally associated with the market system.

I have studied Adam Smith. Most of us studied Adam Smith. The cloak of the invisible hand established price as a mechanism by which competition existed.

It does not exist in health care. There is an inexhaustible demand for health care services. The fact is we do not have typical price competition. In my home State, we have 640,000 people; and guess what: Six separate locations where you get open heart surgery. Do we need that? Of course, we do not. But the providers compete based on adding additional services, not price. One does open heart surgery, the other provider says, "We have to do that in order to compete." One gets an MRI, and the other says, "We have to get an MRI." One has a CAT scan, and the other says, "We have to have one."

Competition in health care means duplication of services, and, therefore, higher prices. You do not hear a Tom Bodett advertise like Motel 6 to keep the light on 24 hours a day for you. You do not hear, "Come over to the hospital; we have a cheaper room for you." Competition in health care is not based on price. It is a fact. Those who stand

on the floor ad nauseam talking about competition, how some sort of managed competition is going to magically drive down prices or costs in health care, are simply wrong. It is not going to happen.

With all of that as background, let me turn to some information I have developed about all of the plans that exist. Let me say at the start this President deserves a lot of credit. We would not be talking about health care if it were not for this President. Health care costs are gobbling up the Federal budget, the family budget, and business budget, which we must do something about. We would not be discussing it had we not elected Bill Clinton. So I give him credit for this. Let me credit also the majority leader for bringing the plan to the floor. The easiest possible thing to do is to bring nothing to the floor; let us obstruct, wait and do nothing.

Most important to me is let us do the right thing. The right thing is to do something to put the brakes on skyrocketing costs. None of the plans now discussed—none of them—effectively does that.

Let me explain the problem with this chart. This chart shows health care costs as a percentage of gross domestic product. Our gross domestic product or GDP is the sum total of everything we produce in the country, the income, in effect that we are able to use. If you add it all up and compare it to health care costs, we spend far more on health care than any other country.

In fact, President Clinton during the State of the Union Address said we spent 14 percent of our GDP on health care costs, Canada spends 11, and no other country spends 10. In Germany they had a special session of the German legislature when health care costs went up two-tenths of 1 percent of GDP. I believe it was somewhere around 7.6 or 7.8 percent. They called a special session. It was a calamity for them. We are not at 7, 8 or 9 percent. We are at 14 percent and rising, and rising quickly. We are far, far above any other country in the claim health care costs have on our total resources.

Let me show you a chart that says if there is no health care reform and we just go on like we have been going along, according to the Congressional Budget Office, health care costs will go from 14 percent of gross domestic product to over 20 percent in 10 years. In other words, we are going to increase by a third the claim on our national income for health care. That is if we do nothing.

If we pass the Clinton plan, which I think is no longer before us, but nonetheless, if we pass the Clinton plan as is, what we have is we go from 14 percent up to close to 19 percent, and the Clinton plan, incidentally, has cost containment in it that is tougher than any other plan we have considered. If

we pass the Finance Committee plan, which was guided by the mainstream or moderate group, we go from 14 percent of GDP to over 20 percent of the gross domestic product. If we pass the Mitchell plan, health care increases as a percent of our gross domestic product from 14 percent to over 20 percent. The Dole plan is not yet scored by the Congressional Budget Office, but I cannot believe it would have any better numbers than any of the others because it probably will have the least amount of bite in it as far as controlling cost. Essentially, I think it mirrors where we are today in inexhaustible growth of health care costs.

This chart is a summary of all the plans. What you see from this chart is that no matter what plan we pass that currently exists, we are off debating coverage and not biting on cost control. If we do not have the opportunity to and do not have the will to say that we are going to do cost containment and put some cost controls in place that bite, we will not be able to get costs under control. We must do something in order to keep this country's health care costs at somewhere around 14 or 15 percent of gross domestic product. Otherwise, our health care reform efforts we will surely fail.

Now, the answers that come in this debate are fairly predictable. This is politics, fortunately or unfortunately. I do not happen to think politics is bad. John Kennedy said every mother's hope was that her son would grow up to be President as long as they do not get involved in politics. Politics is the process by which we make decisions.

The politics of the Senate increasingly these days is we tend to retreat into familiar terrain, into familiar campgrounds. The campground on that side of the aisle is retreating to positions of saying let us really do nothing, or let us do nothing and pretend we did something, but let us do very little and make it seem like it was a lot. That is very familiar ground for that side of the aisle.

Our side of the aisle tends to try to put our suit right away and say let us immediately help people. There is no more laudable goal than that, because we have a lot of people suffering and a lot of people who need help.

But going to a spending program immediately without addressing rising costs will not solve this problem. Some say to me when I show them these charts, you know what you are missing? We are putting 30 million people more into this health care system. Of course, it would cost more. I say they do not understand. The whole debate about health care is that the 30 million people are now getting health care, at least some semblance of health care, and there is an enormous cost shift. They are already in this system to a large extent. We ought to, it seems to me, be able to construct a system with

cost containment that bites in a real way. That is the toughest thing we have to do around here, because it is going to offend everybody. But if we do not do that, we will not ever, in my judgment, be able to provide adequate coverage because we will not have constrained costs.

When we get up to 20 percent of our GDP committed to health care, we are not going to be able to deal with that in the Federal budget. Families are not going to be able to deal with that in the family budgets.

It is my hope, as we move along here now, in the midnight hours tonight, or whenever we are going to try to wrap this up, that we will understand a couple of things.

One, this President and this majority leader have decided an important element in this health care debate is coverage. And they are absolutely right. Too many people today are sick and are not getting adequate care. No mother in this country should worry that when her children get sick she may not be able to get them to a doctor because she does not have enough money in her wallet. Coverage is important.

But we will not advance the interests of coverage unless we do something in health care reform that bites on cost containment. We cannot have a health care system that eats up from where we are today an additional one-third of its claim on our gross domestic product and finish this job and say we did a good job. If we pass a bill that deals only with coverage and go home, we will have left the most significant challenge in front of us.

As I was coming over today I pulled something out of my files, because when my mother passed away she had left, in a series of files for us children, things that she had kept and collected. I suppose everyone has something like this. My mother had kept a hospital bill from St. Joseph's Hospital in Dickinson, ND. When I was a little tyke just able to walk, I had a burst appendix and nearly died. They said another hour or so I would not have made it. I got to the hospital and had emergency surgery—fairly significant surgery in those days. I was hospitalized for 6 days. I had extensive care. And my mother kept the bill for that extensive hospitalization. It was \$71.81.

It was 6 days in the hospital, 6 days of room charges at St. Joseph's Hospital in Dickinson was \$39. But then you add to that—that is not all they charged—they wanted to charge for the operating room as well, and this was surgery, I understand, that took many hours because it was very difficult surgery at that time. And they charged \$10 for the use of the operating room and \$10 for anesthesia and \$3 for an x-ray.

When people talk of the good old days, I suppose there were some aspects of the good old days we would

like to go back to. And \$70 hospital bills might be one. But we cannot reclaim the good old days, nor would we want to with respect to some of the miracles and advances and breakthroughs and the breathtaking changes that have occurred in health care.

Breathtaking changes and miracle cures are important to all of the American people only to the extent that they have access to them. That is why I think my colleagues—my colleague from Minnesota is on his feet about to speak. No one is more aggressive than he is to talk about coverage. He is absolutely right, coverage is essential. But I am just telling him, he and others, that if we do not effectively deal with costs, with cost controls and cost containment that really bites, then we will not succeed.

I might say to folks on the other side of the aisle who come here and talk about competition and so on, the last thing, in my judgment, they would ever embrace would be anything that restrains in any way anyone's ability to charge any amount to any American. I just cannot believe that. Because this is not a market system that works in the traditional market ways.

So I guess I would close pretty much as I began. I full well understand the necessity of health care from a personal standpoint and I hope that no one will believe in the next few days the solution is for us to do nothing. That is not a solution. The solution is for us to do something and to do the right thing. The right thing in my judgment is two steps: Decide together that the market system does not work to control health care costs; and to find an effective way—fair to everyone, fair to providers and fair to consumers—to put us on a course of restraining, in an adequate way, health care costs.

And second and importantly, make sure we finish when we are on a track and give every American family the assurance that they will have health care coverage, coverage they can afford and coverage that represents quality health care.

I hope if and when we can put the brakes on skyrocketing health care costs, the American families will once again give this institution the credibility that I think this institution can have by tackling tough problems in a timely way.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Minnesota [Mr. WELLSTONE].

Mr. WELLSTONE. Mr. President, first of all, let me thank my colleague from North Dakota. One of the things I most appreciate about Senator DORGAN, since I come from Minnesota, a neighbor of North Dakota, is all of the ways in which Senator DORGAN is so rooted in the people that he represents.

The kind of sensitivity toward and feel for regular people he demonstrates is rare. I do not think there is anybody in the U.S. Senate, whether we are talking about the Federal Reserve System and interest rates or the ways in which those kinds of decisions can make or break people's lives, or health care, who does a better job of really representing a lot of people who quite often do not have a voice here. I thank the Senator.

The other thing I would say, and I promised my colleague from Iowa that I would be relatively brief so I do not want to get started on this, but I wanted to say to my colleague from North Dakota that I believe he is absolutely on target. He said I was a fierce advocate for universal coverage—yes. But I think unless we have cost containment—I mean, if 37 percent of our gross domestic product by the year 2030 is spent on health care, it is going to bankrupt us. I think we have to be very serious about cost containment.

The question is how to contain health care costs. I just simply do not buy the argument that the way we contain the costs is by essentially undercutting services for people, or not covering people, or denying people care that they and their loved ones really need.

I have to say to the Senator from North Dakota, one of the things that attracted me to the single payer option from the very beginning—since everybody keeps talk about the Congressional Budget Office—is that there is simply not another proposal that has been presented that does nearly as well by way of CBO scoring. CBO's latest scoring of the single payer bill pointed out that single payer, 1997 to 2003, has the potential to save up to \$700 billion as compared to the status quo, projected over that 6-year period. That is not an insignificant amount of money, especially when you are talking about a health care bill that would make sure that everyone was covered with a comprehensive package of benefits, including catastrophic care. So I think he is right on target and I hope we get serious about universal coverage. All of which is a bridge to what I would like to really focus on, Mr. President, for maybe a few minutes.

Mr. President, let me start out by saying that I recognize that I tread on sensitive ground, and I want to make sure my colleagues understand the analysis I am trying to make, and that they know it is not an analysis that attempts to criticize any particular Member of the U.S. Senate or the House.

First of all, I ask unanimous consent that a Washington Post piece dated Monday, August 15 titled "Health and Insurance Contributions to Senators" be printed in the RECORD.

And second, I ask unanimous consent that a New York Times piece titled

"Lawmakers Feel the Heat From Health Care Lobby," which is dated Tuesday, August 16, today, be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WELLSTONE. Mr. President, I am pleased that these two major newspapers have really analyzed this mixture of money and politics in the health care debate. I have to say that much of the struggle over whether or not we will have a fundamental health care reform has to do with our failure to yet enact fundamental campaign finance reform legislation. I want to talk about that campaign finance reform bill in a moment.

Citizen Action came out with a study recently—an analysis of Federal Election Commission data. From January 1993 to May of this year, the health care industry made \$26.4 million in political contributions to Representatives and Senators. In March, it was a staggering \$4 million, just in that 1 month alone.

Other data, Mr. President: During Presidential and congressional elections, the 1990-92 cycle, the health industry, broadly defined, spent almost \$42 million. Common Cause just came out with a study of these contributions, which I mentioned the other day on the Senate floor, Mr. President. This is a study of PAC contributions—just PAC contributions—to the U.S. Senate over a 6-year period, January 1987 to December 1993. During that time, business PAC's contributed \$72 million; labor PAC's, \$16 million. That is about a 4-to-1 ratio.

I want to just make three more points. First, I think that we have to figure out a way of financing our campaigns so that people can have more faith in our process. By the way, again, I am not talking about the wrongdoing of individual officeholders, I am talking about something different. I just think that when this kind of money is contributed at the same time that we are dealing with an issue that is so important to people's lives, it is difficult for people to have confidence that we are representing the public interest, that we are representing them.

I think part of the reason there is such anger in the country is many people feel ripped off and they think this process is just driven by a big money game. It is not just that. But I do not think it looks right, and I do not think it is right. I said before on the floor of the Senate, and I say it one more time: it is comparable to the referee of a soccer game or football game receiving contributions from the two teams before the game starts. People would say, "We're not sure that referee can make rigorous, objective decisions that would be best for everyone." That is my first point.

My second point, Mr. President, is that I think it does have a bearing on

policy. From the New York Times front page today just a few figures: From January 19, 1993, through May 31, 1994, the American Medical Association gave \$977,000; the American Dental PAC gave \$630,000; the National Association of Life Underwriters, \$612,000; American Hospital Association, \$551,000; American Nurses Association, \$444,000; Independent Insurance Agents of America, \$371,000; American Family PAC, \$345,000.

We have before us some important decisions we have to make on policy. I would like to talk about the ways in which I fear that this virtual wall of money sometimes stands between the people we represent and Senators and Representatives. For example, how do we contain costs? My colleague from North Dakota just spoke eloquently about the need to contain costs.

Mr. President, do you know what the CBO has said rather clearly? If we want to have cost containment, if we want to make sure that health care costs do not continue to skyrocket, the CBO always focuses in on the importance of insurance company premium caps. That is now off the table. For some reason that is off the table. Does it have anything to do with the power of the insurance industry? Does it have anything to do with their ability to effect the tenure or lack of tenure of Senators and Representatives? I hope not, but I think this is a way in which people have every right to be skeptical as to whether or not the insurance industry perhaps is better represented than the vast majority of people.

Second example. Employer mandates. Every time I am in a debate with my colleagues on the other side of the aisle, they talk about how people now are beginning to question whether any health care reform bill should be passed. That is true; \$100 million will be spent on TV and other advertising before this is all over and plenty of people are frightened and scared, and people have a right to raise questions. I would not deny any citizen in this country that right.

But the polls also show overwhelmingly that the vast majority of people, throughout all this attack, still say that they believe each and every person should be covered, because they know that if some people go without coverage, it could be them if they become sick or lose their job, and people are absolutely convinced that employers should contribute their fair share.

But when we talk about anything close to what we in Congress have, with our employer contributing 72 percent, or when we talk about employers contributing 80 percent, making sure that small businesses have a subsidy so they can afford that, that now seems to be off the table. Could that have anything to do with the fact that over the last 6 years \$72 million in political contributions has come from business PAC's?

Finally, my last point—and this one bothers me to no end. I was in a debate today, a radio discussion, and I asked the host, a conservative, good person with an interest in federalism—you have to have a twinkle in your eye, you have to enjoy debates and discussions with people. I asked him: "Would you not agree with the proposition that if a State wanted to go forward with a single-payer plan, it would be wrong for Senators and Representatives to try and knock out of the Mitchell bill the option for States to go forward just because the large employers want to be carved out, just because the insurance industry does not want it to happen? Should it not be the case that if the people of Minnesota or Oregon or New York or Iowa themselves vote people into office who represent them and the decisions are made at the State level that they want to go with a single-payer option, should we not let States have that opportunity?"

I thought the States were to be the laboratories of reform. I thought we were a grassroots political culture. I thought we were in favor of decentralizing public policy. And, frankly, I just think there is a lot of fear about this because I think the evidence is irrefutable; that, as a matter of fact, if some States go forward, they will be able to cover everyone, it will be good coverage, comprehensive coverage, more comprehensive than in any plan that is before us right now and they will be able to contain costs. But there is this fierce opposition lining up to enable States to have the flexibility to do this.

Mr. President, could that have anything to do with the huge amounts of money that have been poured into the U.S. Congress from health care special interests? And not just by health care PAC's. There is too much emphasis on political action committees; I also mean individuals within the industry, broadly defined, who make the huge contributions.

I heard one of my colleagues the other day say, "You know, the problem is we have to contain costs and we just don't know when to say no. You have all these special interests that are asking for coverage, and we don't know how to say no to those special interests."

What special interests? People who are uninsured? What special interests? Children? What special interests? My colleague from Iowa is here. People with disabilities who are saying we hope that you will pass a reform bill that will enable us to live at home in as near normal circumstances as possible with dignified home-based care, what special interests are we talking about?

I do not see anything in the Washington Post piece yesterday or in the New York Times piece today or in any of the analyses I have made about the

mix and money in politics that tells me any of these people are the special interests. But I see a lot of evidence that there are a lot of people in this industry, a lot of large companies, a lot of hospital supply and equipment companies, a lot of the professionals, the insurance companies and all the rest that have poured an unprecedented—unprecedented—amount of money into the Congress at exactly the time we are debating this piece of legislation. I do not hear my colleagues on any of these talk shows talking about those special interests at all.

My final point, Mr. President—and, by the way, I think it would be a profound shame if those interests were able to hijack this reform effort and if we did not come through with a bill that led to the positive improvement in the lives of people.

I think this health care issue, this debate, and what is happening on the floor of the U.S. Senate speaks in as strong and powerful and direct way than anything for the need to have tough, comprehensive campaign finance reform.

I will say it just one more time. I am not talking about the individual wrongdoing of any office holder. We are all trapped in this system. People run for office and you have to raise—what is it?—over a 6-year period the standard now is \$13,000 a week. You have to raise this money to be a viable candidate, so we are told. The campaigns are hugely expensive.

So people try to raise the money, and they raise the money from the people who have the money to give. But it undercuts representative democracy. If the standard is each person counts as one and no more than one—and it should be—we have moved dangerously far away from that.

So I hope that Senators and Representatives will get going on this conference committee. We passed a campaign finance reform bill. It is deadlocked. That deadlock should be broken.

Now, Members of the House say to Senators, you all want us to abolish PAC's. How convenient it is for you to say that, Senators, because about 60 percent of the big money you raise is through individual contributions, large contributions. We raise it from labor and women's groups and environmental groups and other groups as well, but we would like to focus on how you raise the money.

It seems to me there can be a compromise. At the very minimum, the bill we passed called for an agreement upon spending limits. That is a huge first step. Talk about getting rid of soft money, talk about having some debates, having some vouchers for being able to buy advertising, talk about ways in which we can begin to get some of this big money out of politics.

Now, if the House of Representatives, Mr. President, is willing to phase out

PAC contributions, then it strikes me that Senators should be willing to begin to limit further some of our large contributions. As I understand it, one of the proposals is that no more than a third of the money Senators raise should be in small contributions. I would not settle on a particular figure. I would want it to be something that worked. But it does seem to me, Mr. President, that we could drop some of our contributions or percentage of what we raise overall in exchange for the House being willing to phase down PAC contributions. This conference committee could finally meet and bring back to the floor of the Senate, and the House a campaign finance reform bill.

I cannot think of a better reason to do it than what is happening in this health care debate right now. All this money pouring in, the same imperative of running for office, the same money chase, which undercuts representative democracy and undermines people's faith in this process.

I have come to know colleagues after 4 years here, and there are a lot of people on both sides of the aisle who are very committed to public service, very committed to doing the right thing, some of whom at this moment do not agree with me on this particular issue. That is beside the point.

The point is we ought to really demand that this conference committee get moving. We ought to demand that there be some kind of campaign finance reform bill passed this year. We ought to demand that we get some of this big money out of politics. We ought to demand that we move toward a system of representative democracy.

Mr. President, at this point I yield the floor.

#### EXHIBIT 1

##### HEALTH AND INSURANCE CONTRIBUTIONS TO SENATORS

An analysis released last week by the advocacy group Citizen Action shows that health and insurance companies have contributed \$40.1 million to members of the U.S. Senate over the last 15 years. The analysis summarizes campaign contributions received from health and insurance political action committees (PACS) and from individuals giving more than \$200 during the same period. The figures are derived from Federal Election Commission reports and include donations from PACs such as those affiliated with health care professionals, hospitals, pharmaceutical firms, clinical laboratories and insurance companies. The individual donors counted identified themselves on FEC reports as being affiliated with either the health or insurance industry. Citizen Action supports a single-payer Canadian style plan for health care reform:

Phil Gramm (R-Tex.)	\$1,235,520
Bob Packwood (R-Ore.)	1,027,218
Dave Durenberger (R-Minn.)	1,021,054
Bill Bradley (D-N.J.)	978,761
Orrin G. Hatch (R-Utah)	958,299
Dan Oates (R-Ind.)	913,273
Arlen Specter (R-Pa.)	895,786
Christopher S. Bond (R-Mo.)	733,011
Connie Mack (R-Fla.)	732,383

Richard C. Shelby (D-Ala.)	724,496
John H. Chafee (R-R.I.)	721,098
Frank R. Lautenberg (D-N.J.)	717,192
Robert J. Dole (R-Kan.)	707,794
Alfonse M. D'Amato (R-N.Y.)	693,903
Daniel Patrick Moynihan (D-N.Y.)	670,578
Bob Graham (D-Fla.)	639,243
John D. 'Jay' IV Rockefeller (D-W.Va.)	638,645
Charles E. Grassley (R-Iowa)	638,169
Thomas A. Daschle (D-S.D.)	620,822
Christopher J. Dodd (D-Conn.)	612,154
Kay Bailey Hutchison (R-Tex.)	611,009
Tom Harkin (D-Iowa)	607,423
Richard G. Lugar (R-Ind.)	602,772
Jim Sasser (D-Tenn.)	568,671
Dianne Feinstein (D-Calif.)	534,356
Don Nickles (R-Okla.)	530,658
Trent Lott (R-Miss.)	524,303
Max Baucus (D-Mont.)	523,364
John C. Danforth (R-Mo.)	522,599
Strom Thurmond (R-S.C.)	514,512
Mitch McConnell (R-Ky.)	513,436
Joseph I. Lieberman (D-Conn.)	494,730
George J. Mitchell (D-Maine)	491,633
Richard H. Bryan (D-Nev.)	478,227
William V. Roth Jr. (R-Del.)	467,402
Donald W. Riegle Jr. (D-Mich.)	458,167
John Breaux (D-La.)	450,707
Ernest F. Hollings (D-S.C.)	443,763
Kent Conrad (D-N.D.)	440,853
Slade Gorton (R-Wash.)	428,956
John McCain (R-Ariz.)	421,253
Bob Kerrey (D-Neb.)	417,999
Jesse Helms (R-N.C.)	416,530
Howell T. Heflin (D-Ala.)	413,313
Paul Simon (D-Ill.)	403,270
Harry M. Reid (D-Nev.)	398,722
Dennis DeConcini (D-Ariz.)	396,683
Hank Brown (R-Colo.)	369,243
Jeff Bingaman (D-N.M.)	347,695
Byron L. Dorgan (D-N.D.)	343,846
Harris Wofford (D-Pa.)	342,921
Carl M. Levin (D-Mich.)	342,170
Larry Pressler (R-S.D.)	338,687
Wendell H. Ford (D-Ky.)	332,440
J. James Exon (D-Neb.)	326,825
Charles S. Robb (D-Va.)	325,677
Barbara A. Mikulski (D-Md.)	313,912
Edward M. Kennedy (D-Mass.)	308,689
John Glenn (D-Ohio)	293,312
Thad Cochran (R-Miss.)	292,217
David Pryor (D-Ark.)	290,914
Alan K. Simpson (R-Wyo.)	287,123
Pete V. Domenici (R-N.M.)	286,579
John F. Kerry (D-Mass.)	282,109
Malcolm Wallop (R-Wyo.)	262,754
James M. Jeffords (R-Vt.)	250,791
Dale Bumpers (D-Ark.)	250,185
J. Bennett Johnston (D-La.)	247,066
Barbara Boxer (D-Calif.)	244,282
Judd Gregg (R-N.H.)	238,749
Daniel K. Inouye (D-Hawaii)	236,300
Mark O. Hatfield (R-Ore.)	231,665
John W. Warner (R-Va.)	223,690
Robert C. Smith (R-N.H.)	205,700
Larry E. Craig (R-Idaho)	198,676
Paul Coverdell (R-Ga.)	197,807
Frank H. Murkowski (R-Alaska)	194,950
William S. Cohen (R-Maine)	193,091
Ted Stevens (R-Alaska)	188,750
Sam Nunn (D-Ga.)	183,037
Paul S. Sarbanes (D-Md.)	177,100
Robert C. Byrd (D-W. Va.)	170,167
Lauch Faircloth (R-N.C.)	165,960
Conrad Burns (R-Mont.)	165,700
David L. Boren (D-Okla.)	162,260
Joseph R. Biden Jr. (D-Del.)	158,393
Claiborne Pell (D-R.I.)	156,430
Howard M. Metzenbaum (D-Ohio)	145,587
Daniel K. Akaka (D-Hawaii)	129,488
Ben Nighthorse Campbell (D-Colo.)	126,919

Patrick J. Leahy (D-Vt.) .....	104,000
Carol Moseley-Braun (D-Ill.) .....	97,442
Dirk Kempthorne (R-Idaho) .....	92,352
Russell Feingold (D-Wis.) .....	87,033
Robert F. Bennett (R-Utah) .....	84,700
Nancy Landon Kassebaum (R-Kan.) .....	83,448
Patty Murray (D-Wash.) .....	33,052
Paul D. Wellstone (D-Minn.) .....	24,875
Herb Kohl (D-Wis.) .....	23,960
Harlan Mathews (D-Tenn.) .....	3,000

NOTE.—Period covered for PACS is through the most recent filing, usually June 30, 1994. Includes large donor contributions through March 31, 1994.

#### LAWMAKERS FEEL THE HEAT FROM HEALTH CARE LOBBY

(By Katharine Q. Seelye)

WASHINGTON, August 15.—The telephone callers to Senator John B. Breaux, a Louisiana Democrat and an influential voice in the debate over health care, are stacked up like planes over National Airport. "Senator Breaux's office. Can you hold?"

The Senator's phones are ablaze from dawn until well past dark, with the answering machine collecting at least 200 more messages overnight. Clogged phone lines are one price that he and some of his fellow legislators pay for staking out an independent position on what many say is the most heavily lobbied issue in the nation's history.

Senator Breaux and three members of Congress talked recently about their experiences with the health care lobby, painting a picture of special interests overwhelming the decision-making process.

At least 650 groups spent more than \$100 million from January 1993 to last March to influence the outcome of health care legislation, according to a recent study by the Center for Public Integrity, a nonprofit Washington group that examines public issues. The spending has only intensified since then.

"There is no issue of public policy in which the sheer strength of those special interests have so overwhelmed the process as in the health care reform debate," the center said.

Most of the money goes to the brigade of lobbyists who buttonhole members of Congress on behalf of their clients; some of the money goes directly into the campaign coffers of senators and representatives whose votes they hope to influence. Most of the clients, including many hospital and doctors' associations, oppose comprehensive changes in the nation's health care system, but others, like the leaders of some labor unions and the American Association of Retired Persons, are pushing for the Democratic leadership's bills.

"This is the biggest-scale lobbying effort that's ever been mounted on any single piece of legislation, both in terms of dollars spent and people engaged," said Ellen Miller, executive director of the Center for Responsive Politics, another Washington-based nonprofit research group. "It is more fully engaged across the country and at a higher profile inside the Beltway than ever before."

The Annenberg School for Communication at the University of Pennsylvania predicts that by October the amount spent by lobbyists on television advertising alone will exceed \$60 million—more than the \$50 million spent on advertising in the 1992 Presidential campaign.

Citizen Action, a consumer group, has examined the campaign contributions made by lobbyists for health and insurance interests over the years. It reports that for the last 14 years, the political action committees representing those interests contributed more than \$150 million to Congressional re-election

campaigns to "keep health reform off the national agenda."

Citizen Action says these political action committees are spending more than \$2 million a month to modify a health care overhaul or kill it outright. They contributed \$26.4 million to campaigns from January 1993 to last May, with the biggest donations going to members of committees that produced health care legislation.

For example, Citizen Action said, members of the House Ways and Means Committee and the Energy and Commerce Committee received, on average, \$27,000 more in this session of Congress than in the previous session, while their colleagues who served on no health-related committees received an average increase of \$3,000 over the same period.

In the Senate, the report said, members of the Finance Committee, which produced a proposal that George J. Mitchell of Maine, the majority leader, drew on for his bill, received the biggest contributions, averaging \$600,000 since 1979. Four members of Congress received more than \$1 million from the health and insurance industry since that time. They were Senators Phil Gramm of Texas, Bob Packwood of Oregon and Dave Durenberger of Minnesota, all Republicans, and Representative Richard A. Gephardt of Missouri, the House majority leader.

Given the amount of money and the intense competition, "the Oval Office is reduced to just another trade association," said Charles Lewis, executive director of the Center for Public Integrity.

Senator Breaux said the lobbying "makes it more difficult to find middle ground." He added that pressure from unions, political parties, hospital associations, doctors and the Chamber of Commerce had already pushed some members of Congress to make commitments.

One of the most effective groups has been the National Federation of Independent Business, which represents 607,000 small-business owners. "The N.F.I.B. has more people on the floor of the House than the White House has," Mr. Lewis said. "They are spending millions because billions are at stake."

Terry Hill, a spokesman for the federation, says the livelihoods of his members are at stake. "This is one of the biggest issues we have ever worked on, and it's the most irate and incensed I've ever seen the membership," he said.

In the bill introduced by Senator Mitchell, the federation has helped to stave off any requirement that employers pay their workers' insurance, at least for a few years. On the House side, the small-business lobby has helped rouse opposition to the requirement the employers pay 80 percent of the cost of their workers' insurance, as proposed in the bill offered by Mr. Gephardt.

Big business, which at first applauded President Clinton's efforts to change the health system, now generally sees less urgency in change and is pretty much against it.

"With the economy stronger and a temporary slowdown in inflation for health care, many companies believe they don't need a systemwide solution, that they can solve their own problems," Mr. Wiener said.

He added: This has clearly been startling for the Clinton Administration, which larded up its health care proposal with a lot that was very favorable to big business. But the distrust of government triumphed.

This distrust has undermined efforts by unions and other groups that have been lobbying on behalf of health care changes. While

union leaders have been pushing for universal coverage and cost controls, Mr. Wiener said, many of their rank-and-file members fear they will suffer if the Government fiddles with the good coverage they enjoy now.

The lobbying has become so fierce, fractious and well-financed, said Mr. Lewis of the Center for Public Integrity, that it can "overwhelm the decision-making process."

JOHN B. BREAUX

#### A Must-See for Everybody

John B. Breaux says he has been hit on by "everyone from A to Z." This means not just the big, professional interests, but also musical therapists, witch doctors and wart removers, all of whom want their specialties covered.

His office, with its row of colorful football helmets and his case of tennis trophies, is now a must stop on the lobbying circuit. This is partly because Senator Breaux has yet to commit himself to a specific health care plan. It is also because he is one of the mainstream group producing its own set of amendments to the Mitchell bill. Some on Capitol Hill think this bipartisan group may provide the needed heft to get a health care bill through the Senate this session.

"Liberals want to do everything all at once and hope they got it right, and conservatives want to do nothing and take a long time to do it," he said. "I'm trying to take one step at a time and make sure we get it right. When you're in the middle, you get beat up by both sides."

Mr. Breaux, who was elected to the Senate in 1986, is not unfamiliar with the ways of Washington. He came to the House in 1972 as its youngest member—he was then 28—to replace Edwin W. Edwards, on whose staff he had served. (He came from the same small Cajun town as Mr. Edwards, who is now Louisiana's Governor.)

At the start of the debate over health care, the Senator said, many of the lobbyists were useful because they provided details on subjects that lawmakers did not have time to delve into on their own. But now things are more intense.

"We've long passed informational lobbying; now we're at break-your-arm lobbying," he said.

Many are callers from orchestrated campaigns who tell him to vote yes or no. "I try to hang up on the ones not from Louisiana," he said. "People will really badger you. People will call up and be really ugly sometimes, and threatening."

"People have been scared," Mr. Breaux continued. "That's a great tactic if you want to get people to be against something. You instill the fear that Congress is going to do something to you rather than for you."

Moreover, President Clinton's initial proposal "was technically do-able, but politically not do-able," the Senator said. "It was too much, too soon, too complicated, too bureaucratic, too Washington-oriented."

Reforming health care may be extremely complex, but Senator Breaux has set what may be an even higher goal for himself. "I'm trying to achieve survival," he laughed. "I'll do well if I survive."

BILL BREWSTER

#### Lone Pharmacist Far From Lonely

Bill Brewster is the only registered pharmacist in the House. This makes him particularly sensitive to the pitches from the multifaceted pharmaceutical lobby that has been patrolling Capitol Hill.

But Mr. Brewster, a 52-year-old Democrat who represents a sprawling rural district in southern Oklahoma, is also a small-business

owner, a cattleman and a hunter. He is a man of many interests, and many interests have been seeking him out.

"We've heard from more groups than I knew there were in America," he said of the health lobbyists, many of whom represent hospitals, doctors and pharmacists.

"There's a lot of different pharmacy groups," he said, "and they're all at each other's throats."

The main issue within the pharmaceutical industry, Mr. Brewster said, is drug pricing. "The pharmaceutical manufacturers are on one side, and they've got every lobbyist hired in town," he said. "The ones they haven't hired are working for the National Association of Retail Druggists and pharmaceutical associations."

As a member of Ways and Means, Mr. Brewster said, he was lobbied most heavily from February until late June when the committee passed its proposed bill. "Obviously they worked the members on the committees prior to the committee votes," he said of the lobbyists. Partly because the Gephardt bill has stalled, he said, "I'm having fewer contacts right now."

Mr. Brewster was identified by Citizen Action, the watchdog group, as the ninth top recipient in the House of money from all health and insurance industry political action committees from January 1993 to May 1994. And the Center for Public Integrity identified him as among those who took the most trips sponsored by the health-care industry. Mr. Brewster took 10; the top member took 11.

"Who contributes to me has nothing to do with it," Mr. Brewster said. "I figure, anyone who contributes feels like I'm doing a decent job and wants to have good government. I try to look at an issue first off, how it affects my district."

The economy in his district is based on small businesses, farms and oil and gas interests. He said he was getting "a tremendous amount of pressure" from small-business owners, who oppose any provision to require employers to pay for workers' health insurance. He said he had received numerous letters saying, "I don't have insurance but I do have a job—please don't mandate insurance coverage that puts my boss out of business and puts me out of a job."

He is unhappy with both the Gephardt bill and a rival plan proposed by Representative Jim Cooper of Tennessee, which has attracted some Republican support, on the grounds that they try to do too much. "If we try to provide a plan that's not intrusive to the 85 percent who have insurance, provide access to preventive care for the 15 percent who don't and went home, the public would be very happy."

PAUL MCHALE

#### Former Marine Faces New Battles

Paul McHale of Bethlehem, Pa., has approached the health care debate with the order and determination of the most serious student in the class. A 44-year-old former marine who left the Pennsylvania Legislature to return to active duty for the war in the Persian Gulf, his mission is to conquer every detail and do the right thing.

"To do justice in evaluating any of the pending comprehensive health care plans," said Mr. McHale, a first-term Democrat, "it is absolutely essential for a member of Congress to have done an extensive amount of mind-numbing reading prior to the examination of any individual bill."

"Once you know the basic building blocks, once you know the concepts, you can quickly recognize how they're being fitted together.

Now when I'm lobbied—by ordinary constituents, businessmen and women and professional lobbyists—when they come in, the dialogue becomes whether or not my position comes close to theirs and whether either of our positions can be found in one of the pending bills."

For the moment, Mr. McHale's cannot. An original backer of the alternative discussed by Representative Jim Cooper, the Tennessee Democrat, Mr. McHale said he was disappointed in the plan's final, conservative shape.

He is also unhappy with the Gephardt plan. He opposes making small-business owners pay for their workers' insurance, and he does not like expanding Medicare, which he says would not control costs.

All of which makes him a legislator in search of a bill to support. "The best way to affect my vote is to provide me with information," he said. While all the usual suspects have inundated Mr. McHale with information—last week alone, he was visited by at least two dozen lobbyists, including representatives of three drug companies, six of the largest businesses in his district, two unions, including the steelworkers, local health care plans, and four hospital associations—he is still in search of more.

This has left him open to attacks from all sides. "Yesterday a very good friend who is a well-respected leader of organized labor said I was too conservative," he said. "And right after that, the National Federation of Independent Business conducted a press conference back in my district where they criticized my position as too liberal."

"In the final analysis, I'm going to pull back in, find a quiet corner, think about what's good for our country and vote on the issue as if it were a secret ballot," he said.

With that, it is time for a House vote. Mr. McHale checks his watch and steps briskly out the door. "It takes me six minutes and 35 seconds to get there," he said. "I've got this route timed out."

JOSÉ E. SERRANO

#### A Caucus Leader Feels the Pressure

José E. Serrano represents the South Bronx, one of the poorest districts in the nation, its striking poverty and vast expanses of rubble made famous by visits by Presidents Jimmy Carter and Ronald Reagan. A full 60 percent of the district is Hispanic, which helped catapult this 50-year-old, two-term Democrat to the chairmanship of the 19-member Hispanic caucus in Congress.

Thus Mr. Serrano has not only the interests of his district to worry about but also the interests of his caucus. He said they are generally one and the same. But he also has to worry about the interests of New York City, and that can be cause for angst.

The health care industry in New York provides 300,000 jobs, the city's biggest segment of service-oriented jobs, and it has been one of the fastest-growing sectors of the economy. Mr. Serrano has to worry about those jobs—many hospital workers are Hispanic—as well as ensure that the hospitals will continue to treat poor patients, regardless of their immigration status.

Another big concern is how New York's teaching hospitals, among the nation's most eminent, will fare under any new health care legislation. The bill offered by Representative Richard A. Gephardt of Missouri, the majority leader, proposes a limit on the number of medical residents at such hospitals; Mr. Serrano wants to make sure that whatever the number, Hispanics are fairly represented.

Mr. Serrano said the caucus was worried about preventive care and about whether a

national health insurance system would require people to carry identification cards and what uses those cards might be put to. But it has supported the most controversial provision of the Gephardt legislation, the requirement that employers pay 80 percent of the cost of their workers' health insurance.

Mr. Serrano hears most often not from insurance companies or other giants of the health care debate, but from fellow caucus members and strictly local interests, particularly the teaching hospitals.

Mr. Serrano is sympathetic to some of the hospitals' concerns, but he wants them to admit more local residents into their training programs. "Maybe it's time for me to do a little lobbying," he said, clearing his throat, pinching his collar and straightening his tie.

In his office, which features portraits of Robert F. Kennedy and Martin Luther King Jr., Mr. Serrano pointed out that "not all the lobbying is done right here. Anywhere you are, you get lobbied."

He added, "It's people saying, 'Listen, you want this? You want that? You want this? You want that? Fine.'"

He reached for a piece of paper. "This is the White House lobbying," he said. "It has my name on it. They ran off a beautiful computer thing that singles out your district. It gives me information I didn't have, that there are people in my district who are not covered by Medicaid and Medicare and who need universal coverage."

The analysis said that 94,000 people, including 36,000 children, in Mr. Serrano's district had no health coverage. It also said that with universal coverage, the 72,000 middle-class families in his district earning \$20,000 to \$75,000 annually would save an average of \$612 a year on insurance premiums.

The grass-roots groups, he said, "remind you of what it is they do and their value to society and why we have to be careful not to hurt them."

He said insurance companies are the "toughest" lobbyists "because they're very negative in their approach. They say, 'Everything is O.K. Why don't we leave things the way they are?' It's hard to negotiate with someone who believes no change is needed."

The leading health and insurance political action committee contributors, Jan. 1, 1993, through May 31, 1994.

American Medical Association ....	\$977,704
American Dental PAC .....	630,553
National Association of Life Underwriters .....	612,301
American Hospital Association ...	551,266
American Nurses' Association .....	444,446
Independent Insurance Agents of America .....	371,260
American Family PAC .....	345,850

Source.—Citizen Action, a consumer group that supports a Canadian-style health system.

#### KEEPING TRACK—WHO GETS THE MOST

Recipients of campaign contributions from the health and insurance industries political action committees from Jan. 1, 1993, through May 31, 1994.

#### Top 10 Senate Recipients

1. Kay Bailey Hutchison (R-Texas) .....	\$611,009
2. Joseph I. Lieberman (D-Conn.) .....	294,020
3. Connie Mack (R-Fla.) .....	293,455
4. Daniel Patrick Moynihan (D-N.Y.) .....	280,485
5. John H. Chafee (R-R.I.) .....	272,549
6. Orrin G. Hatch (R-Utah) .....	267,141
7. Dianne Feinstein (D-Calif.) .....	235,755
8. Bob Kerrey (D-Neb.) .....	223,299
9. Edward M. Kennedy (D-Mass.) .....	221,439

10. Kent Conrad (D-N.D.) .....	216,200
John B. Breaux (D-La.) .....	5,250
<i>Top 10 House Recipients</i>	
1. Jim Cooper (D-Tenn.) .....	\$540,145
2. Richard A. Gephardt (D-Mo.) ...	228,476
3. Jon Kyl (R-Ariz.) .....	201,758
4. Pete Stark (D-Calif.) .....	190,245
5. Jack Fields (R-Texas) .....	190,215
6. Michael A. Andrews (D-Texas) ..	176,925
7. Dan Rostenkowski (D-Ill.) .....	169,050
8. Newt Gingrich (R-Ga.) .....	141,611
9. Bill Brewster (D-Okla.) .....	130,614
10. Robert T. Matsui (D-Calif.) .....	129,354
Paul McHale (D-Penn.) .....	8,540
Jose E. Serrano (D-N.Y.) .....	7,000

Source.—Citizen Action, a consumer group that supports a Canadian-style health system.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. MATHEWS). The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the Chair. I will not take too much time, I say to the Senators seeking recognition.

Mr. President, I wish to compliment and thank again my friend and colleague from Minnesota for his very eloquent words. He is right on the mark on the issue of trying to get back to representative democracy, and we will not do it until we have adequate campaign finance reform. So I thank the Senator for his contribution in that area.

#### ACTION BY THE FEDERAL RESERVE

Mr. HARKIN. Mr. President, I wish to depart for just, hopefully, no more than 5 minutes from the debate that has been ongoing about health care to talk about something that happened just about 2 hours ago that in all of the discussion and debate we are having about health care I think may have a more drastic impact than some of the things we are doing right now, with more immediate impact on Americans and their lives.

Less than 2 hours ago, the Federal Reserve Board announced that there would be another hike in interest rates. There will be an increase in the Federal funds rate and the Federal discount rate by a full half point. I believe that is going to be very damaging to our Nation's economy. While that increase may be beneficial to those with substantial direct interest in the bond market, it is going to be harmful to average, ordinary Americans.

There are three things on which I think the Federal Reserve Board is wrong. First, inflation is not a threat at this time.

Second, the economy is not overheating.

Third, increasing interest rates will without a doubt reduce economic activity, particularly in very sensitive sectors like housing and autos. Agriculture where borrowing is necessary will also be harmed.

The Fed seems to think that inflation is likely, but the facts do not bear

this out. Inflation is under better control now than it has been for decades. The Producer Price Index has only increased by six-tenths of a percent over the last year. The figure that came out on Thursday for July showed a substantial increase, 0.5 percent. But almost all of that was due to two things: Fuel, partially caused by an oil strike in Nigeria; and food, largely caused by a huge increase in the cost of coffee, which rose by 22 percent. This rise in coffee prices accounted for four-fifths of the increase in food inflation. But poor coffee crops do not mean generally higher inflation. Crude goods actually dropped by 0.9 percent in July.

Another key indicator, the Consumer Price Index, has increased only 2.7 percent over the past year. Wage increases, which could be the greatest threat to serious inflation, if it ever should occur, has risen a paltry 0.4 percent adjusted for productivity.

In other words, inflation is under control. While we are seeing certain specific commodities with significant price increases—I mentioned coffee and oil—real inflation is lower now than it has been in decades.

I think the second point that the Federal Reserve is overlooking is that the economy is slowing down. Cyclical industries are already showing serious softness because of earlier Federal Reserve actions. New housing starts have been moving down since the Federal Reserve started increasing rates in February.

Mr. President, this is the fifth increase in interest rates by the Federal Reserve Board since February. And what has been happening? Housing starts are now 6.8 percent below their March level. Auto sales are soft. The unemployment rate rose to 6.1 percent last month. There are over 8 million people counted as being unemployed, 4.4 million people forced to work at part-time jobs due to unavailability of full employment and large numbers who have left the job market altogether because they have given up.

The argument by some that we must dampen down the economy now to avoid the possibility of future inflation does one thing. It guarantees a sure loss in jobs and growth in order to assure that the smallest possibility of inflation is wiped out.

But the cost to our economy is great. Some say that the bond market is only happy in a recession. Well, it appears to me that the chairman of the Federal Reserve system is happy only when the bond market is happy. I might be a bit too strong, but I think it is correct. What they are looking for is the effective elimination of all true inflation but to achieve that they are almost willing to have the economy in a continuous stall, and that is what we are coming into right now.

So what are the economic and social results of the Federal Reserve policy?

Well, if you are in the bond market, it is great. But if you are an average American working hard to try to raise your children, you are worried about losing your job and no growth in income. In fact, you are probably losing ground. Your ability to buy a house has been sharply reduced.

A 30-year conventional mortgage has risen by about 1.5 percent since February. If you have an adjustable-rate mortgage, your monthly payments are going to go up \$100 to \$150 a month compared to the rate based on February's interest levels. That hurts working families. If you are a farmer with significant loans to cover the cost of buying materials you need to feed your hogs or other livestock, your interest rates will rise and your profits will shrink. That is the real world out there. That is what is happening.

The bottom line is that the Federal Reserve has taken action which is clearly not in the Nation's interest. They have decided on a very narrow agenda, effectively captured by the narrow interests of the bond market rather than balancing the bond market's needs with that of the Nation as a whole.

Plain and simple, Mr. President, the Federal Reserve Board is out of touch with ordinary Americans and what is happening in our economy. This is something that needs to be talked about further.

I will close with this, Mr. President. In a recent article in the Washington Post, the writer, Jim Hoagland, made these points. He said:

One man's job is another man's basis point in the brave new economic world of the central bankers.

Being unemployed may be bad for you, but cheer up. It cools inflation, and should be good for the markets. That is part of the unspoken and unspeakable philosophy that lies behind the manipulation of interest rates in the world's leading industrial economies in recent months. Because of the central bankers' abiding and unbalanced fear of inflation, declining unemployment rates have become a hair trigger for raising interest rates.

Mr. Hoagland went on to say:

The bankers and fund managers resemble old generals refighting the last war after the battlefield has changed. They build an imaginary line of high, long-term interest rates instead of adapting monetary policy to a world in which the greater barriers to economic renewal are unemployment and the lack of public investment in productive enterprises.

Mr. Hoagland closed by saying:

Growth is measured in jobs, as well as in stock and bond prices. Low inflation rates purchased by high unemployment will turn out to have been a very dubious bargain.

Mr. President, I did not mean to interrupt this ongoing debate about health care, but I do believe that the action taken by the Federal Reserve Board earlier this afternoon is going to further stall our economy, further raise interest rates, and create higher

unemployment than we would otherwise have out there. It is going to start slowing this economy down even more, and I do not believe the Federal Reserve Board really had the basis for raising those interest rates, once again—five times since February.

Mr. President, I have been supportive of the independence of the Federal Reserve Board. But I think we have to get some people on that Federal Reserve Board that really understand what is happening to ordinary working Americans out there. Their action today is going to hurt people. It is going to cause working families to have a reduction in their income and their standard of living.

It all may be lost in the debate on health care that is going on here right now. But I did not want the afternoon to pass without at least one Senator getting up and challenging the Federal Reserve Board on the actions they took today because I believe the actions they took will truly hurt the working Americans.

Mr. MOYNIHAN. Will the Senator yield for one question?

Mr. HARKIN. Yes.

Mr. MOYNIHAN. Knowing the standards of courtesy and integrity which he embodies, I wondered if he would not want to modify the remark about the Chairman of the Federal Reserve which could be taken as personal. Dr. Greenspan is a person of deep, utmost integrity, of great learning, and a genuine concern for what he thinks is best for the American economy. He would not have any partiality to bondholders any more than to stockholders. The concern about inflation has sort of for half a century been a concern of the successive Chairmen of the Federal Reserve. No one had to deal with it more dramatically than the predecessor in 1982 who had to bring us into a deep recession because we had gotten to the point of double-digit inflation. That was a dramatic act. We would never want to see that repeated. So we would never want to see a situation where it was necessary.

Mr. HARKIN. If the Senator will yield, I said in my remarks that "it seems"—I will check the RECORD. But I said "it seems" to me that the Chairman of the Fed is only happy when the bond market is happy. I said it appears to be.

I do not deny that Mr. Greenspan—I did not use his name. But he is the Fed Chairman. I do not know him personally. But I understand that he is a man of high character, high integrity. I accept the judgment of the Senator from New York.

Mr. MOYNIHAN. He is surely that.

Mr. HARKIN. I accept the Senator's judgment on that.

Obviously, I do not know him personally. I am just looking at the record of what has happened since February. I do not believe that what is happening in

our economy warrants five increases in the interest rates from, I think, if I am not mistaken, 3 to 4.75 in the Federal funds rate since February. I think it bodes ill for our economy. I think that perhaps the Federal Reserve Chairman, perhaps others on the Federal Reserve Board, have too narrow of an approach in looking at our economy.

I think we have to understand some other things going on in our economy other than just the possibility of future inflation. I do not believe the Senator from New York means to say that the present situation that we have encountered over the last 18 months at least, perhaps even 2 years, is in any way near what we were facing in the late 1970's.

Mr. MOYNIHAN. No.

Mr. HARKIN. Or eighties. We are not anywhere close to that. I said we do not have serious inflation out there, to speak of, right now. Yet, because there is a possibility that at some future time we might see inflation going up—Federal Reserve action is taken to raise interest rates. I am just making the point that this is not something that just takes place in the financial pages of the Wall Street Journal. It has real effects on working people throughout this country.

So I apologize, and I do so if my words cast any aspersion at all upon the character of or the integrity of the Chairman of the Federal Reserve Board. It is not my intention to do that. I do not mean to do that. I just meant to say that I think his focus has been somewhat too narrowly focused just on the bond market, and it ought to have a broader focus than that. But, no, I did not in any way mean to impugn his integrity or loyalty to his country or anything else. But I think the Fed needs to take a broader view of the economy.

Mr. MOYNIHAN. I thank the Senator.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Thank you, Mr. President.

#### HEALTH SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. D'AMATO. Mr. President, I do not intend to speak for hours in an opening statement on health care. But I do intend to reflect my feelings and those of an overwhelming number of my constituents in New York, at least those who have taken the time to call my office or write to us either here in Washington or in one of the offices that I have throughout the State of New York.

I think, Mr. President, that there probably is no area that is more important than the area of health care as it relates to each of us individually, as it

relates to our families, as it relates to the American people. It is an area that no one can doubt needs reform. We need to improve it. But despite its flaws, it is still the best health care system in the world, bar none, the best. I daresay that if the poorest of the poor in this country had a problem, they would get better medical treatment here than Boris Yeltsin gets in Russia. Indeed, if Boris Yeltsin had a severe medical problem, he would probably come to this country, if he could, to get medical treatment.

So let us not take that choice away from Boris Yeltsin. More importantly, let us not take that choice away from the American people.

I have a piece of advice because I have been hearing a lot of people offering advice. I say to the President and to the First Lady, passing bad legislation that the American people do not want is not good politics, and it is not good government. Take it either way. It seems to me that what is taking place—at least that is the feeling that I get—is that some would have us act such that we would not make corrections that we all know need to be made, and not improve the system that we know can and should be improved. But, no, they say you must take the whole thing. Otherwise, we will accuse you of playing politics. Otherwise, we will say that you are holding captive this important piece of legislation.

I say we were not sent here by the people to surrender good judgment on the altar of political expedience, or under threat of being kept in session around the clock. We were sent here to work to bring about a better system if possible, but not to destroy the best system that exists in the world.

Less than 2 weeks ago, we got our first look at Senator MITCHELL's health reform package.

That was a bill of some 1,410 pages, 46 pages longer than even the 1,364-page Clinton bill. That was less than 2 weeks ago. The ramifications in that legislation—and it is voluminous—reach right into everyone's home. And the people have a right to know, how does this legislation affect them, and how does it impact the plan that they have at the present time? The people have a right to real answers.

I daresay that there are many of my colleagues who do not have those answers. I do not have all of the answers. I am still learning.

That was 2 weeks ago when the first bill was placed on our desks. Then when I checked my desk Wednesday, I found that the bill had grown, and this new bill—call it Mitchell 2—was 1,448 pages long, 84 pages longer than the Clinton bill. And, yes, on this Saturday we were presented with the third Mitchell bill, 1,443 pages long, actually 5 pages less than the second one. There is a rumor that there may be Mitchell 4; I do not know. But I do know that we

cannot implement 1, 2, or 3 without doing significant harm to our American health care system and the American taxpayers. I do know that it is a flawed bill, deeply flawed.

Whichever bill you choose, the result is the same: More taxes, more new entitlements, and much more Government intrusion into our health care system.

Mr. President, I do not intend to tie up my colleagues on the floor, but I think these things have to be said. I do not intend to speak for 2 or 3 or 4 hours on this. This is not an attempt to impede, but it is an attempt to educate. I have to tell you that as the days go by, more and more people call, and some call and say: You know, we want there to be changes, but we want you to do it the right way. Do not just rush this through. Take your time. That is what the sentiments of these people are, and it is the gist of the numbers which I am going to share with you in a little while.

This bill contains hundreds of billions of dollars in new taxes—taxes that could have a devastating impact on middle-class America, taxes and costs on existing health plans that go well beyond what people have ever imagined. Let me just cite two of these new taxes. There is a 25-percent tax on health insurance premiums that grow faster than a premium cap. Who establishes this cap? Some board on some vague principles that no one knows about. If you turn to page 1170, section 4511(a)(1), it states:

If a community-rated certified standard health plan is a high-cost plan—

I do not know what this high-cost plan is. It very well could be that the plans most people have would be rated high-cost.

for any coverage period beginning after December 31, 1996, there is hereby imposed a tax equal to 25 percent of the excess premiums of that plan.

Mr. President, this tax could force millions of Americans to pay more taxes on the plans that they have already chosen. That is not me saying this. That is the Congressional Budget Office. They say:

Virtually all plans would be subject to the assessment called for in Senator Mitchell's proposal.

The words have meaning. We are talking about something of some tremendous significance. So someone who has worked and has bargained and who has achieved a plan that in December 1996, may be considered to be one of these so-called high-cost plans, finds him or herself in a situation where their premiums are raised 25 percent. Let me suggest that all the legislation in the world that says the insurance company cannot pass the cost on is not worth anything. Do you mean to tell me that you are going to raise a tax of 25 percent on the excess of that part that you say is too rich? Since when

should people be penalized for buying health care insurance, whether or not they have bargained for it, that is excellent and fully comprehensive.

I thought this was the United States of America, where people had the right to invest in those plans that would give to their families the best protection. Now we are going to penalize them. It is absurd to say that insurance companies are not going to pass that extra cost on and, indeed, some insurance companies, in order to beat that, will raise their costs between now and December 1996. This tax will apply regardless of the reason the plan was considered high-cost. But it is most likely to affect desirable plans which seek to provide the highest quality benefits and the broadest choice of providers—or those that cover the sickest individuals.

I cannot understand that. That is under the name of cost containment. That is Government regulation at its worst. If we want to get ourselves into deep trouble, let us adopt this kind of philosophy. We could be debating this principle alone, and its cost and implications, for days, and for anyone to suggest that we adopt this whole thing, take it or leave it, within a period of hours, days or weeks, is simply wrong. That is not why we were sent here. Take it or leave it, or we are going to keep you in like little children. You will not be able to go home. So what, that is our job. Are we supposed to be cowed by that and ignore our rights, and ignore the fact that we were elected to come here to look at these provisions, to examine them? These are important, these are critical, these are life and death issues.

I suggest to you that any plan that is so important to the life and health of the people of this country should never have been designed in a back room with the 600 people in the task force that came together, without the benefit of real, comprehensive hearings, and without the benefit of a full examination of all of the details that are critical to the life of this country and its people. I think it would be a political charade if we pushed something through for the sake of saying we pushed it through. That is politics and government at its worse.

CBO estimates that this tax would cost American taxpayers \$70 billion over a 10-year period of time. Just that 25 percent tax. I have to tell you that if you look at CBO estimates, if you look at what they estimated the cost of Medicare would be, you would find out that it has increased about seven times more than their original estimate. It was seven times more. I do not know whether this is going to be \$70 billion. It is certainly not going to be less than \$70 billion.

Here is another tax. There is a 1 percent tax on health insurance premiums levied by the State to fund "adminis-

trative expenses." That only amounts to \$50 billion. We take that tax and the other taxes levied in this bill and we come out to a total of over \$300 billion in new taxes.

Then again when we have people say, "Oh, well, do not worry; Government can do it better, faster, more efficiently, and more effectively." On what planet? That must be a planet I am not aware of. That is certainly not true in this country, and I know of no other country on the planet where it is.

This bill creates and empowers dozens of new Government bureaucracies.

And there is one in particular that would have devastating consequences for my home State of New York, one which the senior Senator from New York, Senator MOYNIHAN, eloquently addressed—a new Council on Graduate Medical Education. We are going to take a bunch of bureaucrats, and they are going to determine for us how many doctors we should have and what their specialty should be.

I wonder who it is going to consist of. Will Hillary be on that council? Will she tell us how many thoracic surgeons, how many specialists there will be in various specialties? Incredible. We are now going to micromanage the health of America so that the Federal bureaucrats will determine who the specialists in America will be and how many. Fabulous. Fantastic.

They even had a hard number in their original bill. They effectively said that you are going to have to eliminate right off the bat in New York over 3,000 residents, specialists who come in and get the best training, specialists who, by the way, are dispersed throughout this country and through parts of the world.

Let me tell you what this would mean. New York trains 11 percent of all the country's medical students and nearly 16 percent of the medical residents. Imagine. They have already determined—and I do not know where or how this was determined—that they are going to reduce the total number of medical residents across the board by one-fifth, and that results in a loss of 3,000 medical residents in New York City alone.

Well if we are going to talk about Government deciding how many specialists we are going to have—how many cancer specialists, how many heart specialists—do you not think that we should have some thorough and comprehensive debate as to how this is—testimony not from politicians, but from leading educators, from people in the field, as to whether or not that is an idea we should even contemplate? Do you not think that would be deserving of some kind of introspection, some kind of close examination? And I do not mean on the floor of the Senate with no facts, with no basis by which to make our judgments. This procedure is an absolute sham. We

should not be proceeding on this bill in this manner.

I have just touched on two items, and they are pretty doggone important to the health of this country.

And there are thousands of items that are as critical if not more critical jammed into this bill that affect the lives of every American. That is why Americans are on the telephone and why they are calling. And I have these numbers I will submit as a representation of the calls that have come into our office from August 8 to August 16 up to 12 o'clock.

New York City, against implementing a health care bill this year—by the way, most of these people have expressed that they want reform, but they say do it right, do not rush it this year, wait until next year, and then go ahead—against, 475; in favor of going ahead and enacting the Mitchell bill, 291. Even in New York City the ratio is clearly 3 to 2 against going forward.

Rochester, NY, 162 against; 12 for—14 to 1 against going forward.

Our Washington, DC, office—and most of these people call from New York City—691 against; 258 for going forward, almost 3 to 1 against going forward.

Albany, NY, 190 against going forward; 25 for going forward, a ratio of 7.5 to 1 against.

Buffalo, 563 against going forward and adopting this bill.

I tell you if we began to examine this bill in the kind of detail that we should in terms of discussing just some of the issues that I have brought up here, you will find these numbers will go off the chart, and I will assure you that this Senator will look to discuss, even in as limited and circumscribed a manner as this body prescribes, that we examine the issues, that we examine them. They are too important just to be shoved through without debate.

Syracuse, 452 against to 35 for, a ratio of 13 to 1 against.

All in all, it is almost 4 to 1 against, 2,534 to 750.

Mr. President, I ask unanimous consent to have printed in the RECORD, the tally of health care calls with reference to the Mitchell bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HEALTH CARE CALLS IN MITCHELL BILL: 8/8-8/16, AS OF  
12:00 PM

	Against	For	Ratio
New York City .....	475	291	1.65:1
Rochester .....	162	12	14:1
Washington, DC .....	691	258	2.7:1
Albany .....	190	25	7.5:1
Buffalo .....	563	129	4.4:1
Syracuse .....	453	35	13:1
Total .....	2,534	750	3.5:1

Mr. D'AMATO. Mr. President, as I have said, the loss of these residents to New York will have devastating consequences on New York, but it is also

devastating to the Nation when one stops to think that we train almost 16 percent of the medical residents in this Nation.

It would cost us 3,000 residents. I tell you that the cost would be incalculable as it relates to the quality of medical care in the New York urban area. The financial cost alone would be well over \$500 million. The quality of care that our people would have would diminish tremendously just in this one area.

Mr. MOYNIHAN. Will the Senator yield for a question?

Mr. D'AMATO. Certainly.

Mr. MOYNIHAN. When the Senator speaks of a resident in a hospital, he is talking about a doctor?

Mr. D'AMATO. Correct.

Mr. MOYNIHAN. The doctor.

Mr. D'AMATO. Fully certified doctor who is getting his specialty—his training—and some going on into the specialties. And so we would be taking out—and I thank my colleague for making the point—3,000 fully trained doctors, some of them working in their specialties. We would be removing them from servicing the needs of the urban poor. It has been estimated that to replace them would cost somewhere in excess of \$566 million annually in New York alone. You would have the same kinds of consequences in other key centers throughout this Nation.

Again, I would emphasize the absurdity of thinking we are going to turn it over to a Federal bureaucrat or a board to determine how many doctors in the various specialties there will be. Have we not ever learned about the law of supply and demand? While the rest of the free world is looking to come to a market-oriented economy, here we are moving in the other direction, with Big Brother determining the allocation of medical specialists in our Nation. We are not talking about plumbers and carpenters and saying maybe we have to increase the emphasis on them in our trade schools. We are talking about life and death matters. We are talking about people who want to dedicate themselves to the service of others. And some bureaucrat is going to determine this.

Mr. President, the Federal Government, to be parochial, does not have the right to tell New York, or any other city for that matter, how to run its medical schools and teaching hospitals and does not have the ability to do that. I spoke to Dr. DeBakey, the great surgeon, the great pioneer at Baylor College of Medicine in Houston, and he absolutely could not believe it and made reference to what a blow this would be to science and to medical care if we were to attempt to implement this. By the way, this board's decisions would be final. They are the arbiters.

Mr. ROCKEFELLER. Will the Senator from New York yield?

Mr. D'AMATO. No; I will not. I have been waiting for days and days. I am

not going to speak for hours. I want to make my point.

Young Americans who grow up wanting to be doctors should not be told by a Government bureaucrat what career they will be placed in. They should not be told we have too many doctors in this specialty or that specialty. If they want to try to make it and they have the ability to make it, then they have the right to try. There is something called the law of supply and demand.

Government bureaucrats should not have the right to tell any American what health plan is best for them, and that if you have one better than the standard benefits package we are going to assess you, we are going to tax you for it, you are going to pay more for it. The American people do not want a Government-run health care system. They want Congress to fix what is broken and to leave alone what is not. And we have an obligation to fix what is broken.

We can easily identify it, and we have. But for some reason, we do not want to just fix that which is broken. We want to go beyond. We can fix what is broken by enacting commonsense reforms that Members of both parties already agree will help solve the biggest problems in our health care system, reforms like portability, so those who move or change jobs can take their coverage with them; insurance protection, so people with preexisting medical conditions will not be denied coverage and those who fall ill will not have their coverage dropped; and tax reforms. My gosh, why should someone who is self-employed lose the ability to deduct his cost if we say that is an essential part of America? Let us do that. Let us give small businesses and individuals the same tax relief for buying health insurance as people with employer coverage. It is common sense.

But, no; some people want to create a political campaign, a political storm, and say we are going to fix it all; you are going to take it all whether you like it or not, whether you have a good health care plan or whether you do not, because we know what is good for you. What the American people do not want, is for us to adopt the Mitchell bill—or any bill—for political reasons. No bill should be adopted for political reasons. No bill should be stopped simply for political reasons. Congress should not pass a bill simply to pass one. That is wrong. And that is what the American people are telling us. They are saying take your time and do it right.

If I have to come down to this floor as we proceed, and go through section after section, not to nitpick but to raise issues that are critical, it is my obligation to do so if I see we are just determined to ram this bill through. That is not a filibuster, and it is not intended as one. But it will be intended to explore and to develop all of the

facts. I suggest this is the wrong forum to do it. These matters should have been gone over in detail.

I know the Labor Committee had their hearings. They did not go over these things in detail. I say to my learned colleague, the chairman of the Finance Committee, some of these provisions have to be new to him and he, too, has to be very concerned about them. We all should be.

This is just the tip of the iceberg. Tomorrow I intend, for a short period of time, to come down to the floor and touch on at least one other critical area. We are talking about the health of the people of this country. People do not want us to abdicate our responsibilities.

I broke my shoulder in three places. I was able to pick the best doctor, and thank God he did not have a bureaucrat who determined whether or not he could or could not go into his specialty. That is the last thing we need. When my dad had an open heart procedure—fortunately, it was an angioplasty—we picked the doctor. He had an insurance plan he subscribed to. He went to the hospital of his choice. Americans should have that right. No one should lose the ability to pick their doctor and the hospital of their choice because we allowed Big Brother Government to say, "Oh, no, that is too good a plan."

I hear about this great Canadian plan. Is that why so many people come over to use the hospitals in Buffalo, because they do not want to wait 6 months, 8 months, a year, a year and a half, for some of the optional services that here in this country our people get when they are sick or in pain? Are we going to have a bureaucrat say, "Wait a minute; we cannot do any more hip replacements"? Is that what we are talking about?

Let me share two letters that have come to me, one dated August 8 from a constituent from Honeoye Falls:

DEAR SENATOR D'AMATO:

The thought of a health bill being pushed through the Congress in the next two weeks sends shivers through my spine. How can you people digest the huge amount of information being stacked before you and make a responsible decision on what is best for the people of America?

I want to know what is being promised in the various bills, what it will cost, who will be covered, how will it work, who will pay for it, how it will affect the health coverage I already have.

I want you to know that is the dominant thing so many people call about. They say: I like my health care coverage. I want to continue it.

I urge you to wait until we know all the answers to these questions before considering such sweeping changes to the American health care system—1995 is soon enough!

Sincerely,

ELINOR W. FISK.

I ask unanimous consent a copy of this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HONEOYE FALLS, NY, August 8, 1994.

Senator ALFONSE D'AMATO,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR D'AMATO: The thoughts of a health bill being pushed through the Congress in the next two weeks sends shivers through my spine. How can you people digest the huge amount of information being stacked before you and make a responsible decision on what is best for the people of America?

I want to know what is being promised in the various bills, what it will cost, who will be covered, how will it work, who will pay for it, how it will affect the health coverage I already have, why the whole system has to be changed.

I urge you to wait until we know all the answers to these questions before considering such sweeping changes to the American health care system—1995 is soon enough!

Sincerely,

ELINOR W. FISK.

Mr. D'AMATO. I have another very short letter from Laurie Brinckerhoff, 15 Charles Street, New York, NY.

Please! No Health Care Plan should be rushed through the Senate this year. If there is a plan, we need a carefully studied and well thought out plan.

Sincerely,

LAURIE BRINCKERHOFF.

Mr. President, passing any bill without the public's informed consent is not good government. It is not good health care. It is not responsive to the will of the people. We are pushing this piece of legislation through at this time, and there is that momentum behind it, because of the political ramifications. That is wrong. The American people are telling us take your time. They are telling us do it right. They are telling us they want change. But they want it done the right way.

I think as people listen to the debate and to the areas of concern—not just amendments that are put forth, but the various areas of concern and the ramifications that this legislation contains—they will say resoundingly, "Don't just push it through." That is exactly what is taking place here.

I thank my colleagues and yield the floor.

Several Senators addressed the Chair.

THE PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I rise not to speak to the health care debate, but something else that is impacting on the health care debate. One of the problems on the health care debate is that a lot of people engaged in the debate either have not been around or paid attention for the last 2 years that we have been discussing the health care problem, or have not paid any attention to the committees in question that have held probably hundreds of hours of hearings, all told, on the problem, and now stand and wave around a bill as if this, whatever number of pages it is, is something that was dropped from heaven or come up from hell, and that they have never seen before.

The criticisms made of this bill in the generic form could be made about every piece of major legislation that ever passed through the Senate. I remind my colleagues who have had no problems voting on major communications legislation, major legislation relating to anti-trust measures, major legislation relating to a thousand other areas—the Clean Air Act, the Clean Water Act—larger than this. They could have said the same exact thing. That is why we have a committee system. That is why we have the staffs we have. That is why we are supposed to pay attention. That is why we are supposed to understand some of what has been done. But it astounds me how little is understood by people who engage in this debate—and I am speaking of no one in particular—but how little is understood. I will just say one thing to my friend from New York. He is my friend, as we say. He and I truly are good personal friends. He gave the example of his father wanting to be able to choose his own doctor and wanting to be able to choose his own hospital.

I think that is a phenomenally important right, whether we pass health care or not. The vast majority of Americans do not have that chance. If they work for major corporations, the corporations decide, and by the time this decade is over, I predict there will not be any plans that allow that. They will all be HMO's with preferred providers. They are coming along.

Just look at all the people in Washington today, the people who are in the galleries, in this city, and the people listening to this debate. I ask you: How does your employer change yours—if you are lucky enough to have health care plans—how have they changed those plans in the recent past? I happen to have chosen a plan that does not. I am not in an HMO. HMO's are cheaper. You can spend less money if you want to be in an HMO. The point is, a lot of this is changing whether or not we do anything at all, and a lot of the choices the Senator is worried about are going to be eliminated if we do not do something.

I will not take the time to discuss it now, but I have a summary of responses that have come into my office—I am from a very small State, unlike a large State like New York. New York literally has counties bigger than my State and New York City has a population that is probably somewhere around 13, 14 times as large as my entire State.

But roughly 7,000 people have written to me in response to a series of questions I asked them.

Mr. President I might point out, the answers have come to very different conclusions than the 2,200, or thereabouts, phone calls my friend from New York who represents a State with—what?—18, 19, 20 million people in it? I would not call those calls particularly representative.

## CRIME BILL

Mr. BIDEN. Mr. President, one of the things that the health care debate is reflecting is the same kind of, in some cases, nonsense that the crime debate is generating. I think that in this town, if you say something often enough, repeat it often enough, people actually begin to believe that it might be true, if you just say it.

What I have learned of late when the House failed by a margin of eight votes to pass the crime bill on a technicality; that is, they did not even allow a vote up and down, as they say, for or against the crime bill. They had a procedural vote to hide the "no" votes so they would not have to say I am against it for politics or I am against it because I am against assault weapons being eliminated, roughly 19 of them. It was a procedural vote, not unlike a cloture vote we have in the Senate.

What I have heard in the last week about what is in this crime bill and the conference report I find truly astounding. I doubt whether there is anybody on the floor of the U.S. Senate—it does not mean I am any better, but I am stating a fact—anybody who has put as much time and effort into fashioning these crime bills over the last 20 years, the last 6 in particular, than me. I have a distinct disadvantage and advantage. The disadvantage is I have done nothing but this issue, it seems, for God knows how long it is. The advantage is I think I know as well as anybody what is in the bill and in great detail.

So for my colleagues who are acting in—and I always assume my colleagues act in good faith, who truly believe some of the stuff that they have heard and said, and this is the purpose of my rising now to sort of set the record straight and lay out the facts. I am not sure it will change anybody's mind, but I just think it is important that when one is against something, they have the right reasons; that is, they know what their reasons are for being against something.

Let us start off with pointing out what the bill is. It sets up a trust fund with no new tax dollars—no new tax dollars; no new tax dollars to fund this. You say, how could that be? We are going to spend \$30 billion over 6 years and no new taxes.

The real issue is whether or not we reduce the deficit by \$30 billion or spend the money on crime prevention and crime enforcement, law enforcement. That is a legitimate debate. But this red herring out there that this is going to cost \$30 billion in new taxes is simply wrong.

Let me tell you how we fund the bill, again. All of you know this because you helped put this together. We voted this 95-4 when we voted it out of the Senate. The way we fund it is, we trade bureaucrats for cops, bureaucrats for prisons, bureaucrats for law enforcement, bureaucrats for drug treatment

in prisons, while someone is locked up in prison, bureaucrats to fund the violence against women initiative.

You say, what does that mean? What we did, what this President did and we codified, we said we are going to reduce the Federal work force by over a quarter of a million people over the next 6 years. I might point out, by the way, that under this President there are fewer Federal Government employees today than at any time since John Kennedy was President. It rose under every Republican and every Democrat prior to this. This President has actually reduced the number of people working for the Federal Government.

We are going to reduce it by a quarter of a million people more. We cannot spend this money for crime until we fire or we do not rehire someone or fill a position. So what happens here is this savings, to use the Senate jargon, has been scored. We talk about OMB, the Office of Management and Budget, and we talk about the Congressional Budget Office, which means nothing to the voters at large. What they are is a bunch of bureaucrats sitting there with sharp pencils and computers and deciding whether or not what we say is savings or not savings or actually real dollars. Are they real or are they phony?

All of the organizations have pointed out—Democrat, Republican—everyone acknowledges that this is an actual savings that will occur by reducing the Federal work force, which we have already done in the last 2 years and will continue to do. Unless we reduce the Federal work force, we cannot increase the police force. Unless we reduce the Federal work force, we cannot increase the prison space. Unless we reduce the Federal work force, we cannot increase the number of drug courts, and so on.

So if my Republican friends want to stand up and say—which is totally legitimate—"Look, JOE, this bill you all put together and that I voted for before and I might not vote for now, this bill, instead—I have thought about it—instead of setting up a trust fund to take the savings that come from firing or reducing the Federal work force and put it in a trust fund to hire cops, instead of doing that, what I would like to do is take the savings from firing or reducing these Federal workers and I would like to reduce the Federal deficit even more"—I might add, by the way, this is the only President who has reduced the Federal deficit in the last 2 years. The Federal deficit has actually gone down. That is, the amount of the deficit that was projected, it has gone down. It is less each year under this President than anyone had predicted and less than under the Republican Presidents, and it is going down.

If they say we want it to go down even further, and we do not want 100,000 more cops, I respect that. That is OK, you can say that, then go to the voters and say, "I rather the deficit be

down lower and not hire more cops." That is fair. That is honest.

Or if you say, "BIDEN, you have money in here for the operation, maintenance, and construction of over 105,000 new prison cells in the various States—not Federal prison cells—State prison cells. I do not want to spend the money for that, BIDEN. I want to go out there and reduce the Federal deficit over 6 years by \$6.5 billion," well, that is fair. Let us debate that and let us let the people in our home States decide whether we should reduce the Federal deficit by another \$6.5 billion or let us spend the money to build 105,000 new prison cells and maintain them.

That is a legitimate debate. But it is an illegitimate debate to suggest, and it is factually not true to say, this bill that BIDEN and others cobbled together is going to raise taxes \$30 billion beyond what we are now paying. Not true. Not true.

So the first important point about this crime bill—and I see the chairman of the Appropriations Committee is on the floor. This trust fund was something that really was his idea. I was not smart enough to think about it. He is the smartest guy in this outfit. Truly, I am not being solicitous. He is. And he is the best legislator in this outfit. He is the guy who thought of this. I did not think of it. I wish I could take the credit. I did not think of it.

But this is not \$30 billion in new taxes. This is \$30 billion we are not going to reduce the deficit by and spend it on law enforcement. That is true, but it is not \$30 billion in additional taxes.

(Mr. BYRD assumed the chair)

Mr. BIDEN. Now, the second point, in this bill over 6 years, for law enforcement there is \$10.7 billion for local law enforcement and community policing. Not Federal cops. We go to the States and say we are going to give you  $x$  number of dollars if you do two things. No. 1, if you do not cut the number of local police. As the Senator from West Virginia, the President of the Senate, knows, we used to have a thing called LEAA, Law Enforcement Assistant Program, out there.

What we found out the States did, we would send the money, and States, to try to make their budget look better, and counties—and I used to be a county official. I remember when our county tried to do this. If you had 100 county police officers, you would go out and you would fire 25 of them, take the Federal money and hire them back with the Federal money. Then the States and localities would go to their taxpayers and say: You see how responsible we are. We cut your taxes. Those big-spending guys down in Washington. And we still had the same number of police.

We got smart to that down here. So in this bill we said, look, you want 1 new local cop paid for by the Federal

Government, if you now have 100 cops at home, if you reduce it by even 1, you do not get any Federal money. But if you maintain—maintenance of effort—if you maintain the 100 cops you have, we will give you money for more cops.

There are roughly 545,000 State and local police in all of America. This bill will add 100,000 additional local police. So you will have almost 650,000. We will increase by roughly 20 percent, a little less than 20 percent, the total police force in all of America that is not Federal.

The reason we know that is you do not get any money if you reduce your police force, if you do not maintain your effort. We are making a promise to the people back home. We are going to put more cops on the street. This is called truth in legislating.

Now, if you local folks back home do not want the money, do not ask for it.

My Republican friends say, well, there are strings attached to this money. Strings, malarkey. Nobody has to come and ask for this money. But if they ask for the money, I say to the Presiding Officer, they have to do two things. Promise, No. 1, that they are not going to fire their existing police force, and, No. 2, that they take all their police, not just the ones we are adding for them, but all their police and involve them in community policing so they are not just in squad cars, so many more are walking around on the beat, because, guess what?

Those of you from Houston, TX, those of you listening who are from cities like New York City, and all the places where they have done community policing, the violent crime has dropped roughly, in Houston by 19 percent.

This is not rocket science, folks. There are some things we know about crime. We know that if there are two street corners in the same city, one has a cop standing on the corner and one does not have a cop, the chances of a crime being committed where one has a cop is less than the one where there is not a cop. Again, not rocket science. Cops prevent crime as well as arrest perpetrators of crime.

So we are basically, I say to the Presiding Officer, getting a big bang for the buck. For the 100,000 cops we are providing, we are leveraging that to get 640,000 community police out there. Right now, of the 550,000 cops, there are perhaps 100,000 involved in community policing.

So that is a string. That is right. If you want the money, then what you have to do is you have to have your police in community policing.

Now, there is another criticism I hear from our Republican friends, who I might add all voted for this—all voted for this before. I do not know what happened between now and the time this will hurt the President if you vote against it. I do not know what strange

thing happened. But they say, "Well, wait a minute. Is it not true after 6 years, BIDEN, the city or the county or the State is going to have to pick up the tab for this police officer?"

That is a condition? What is every other program? Are my Republican friends saying we should federalize the local police force? Does any one of them have an amendment with which they are going to stand up here and say, "I promise from this day forward we in the Federal Government will fund every local cop now and forever." Does that make any sense?

What do we do in every single program? There is a program out there now that started last year. It is \$150 million in supplemental money to help local communities buy additional police officers. It is only, roughly, a 50-50 grant. They are falling all over themselves to come and say, "Please, you will pay for half a new cop for us." Wonderful.

It only lasts for 3 years. This lasts for 6 years, and it is \$75,000 per cop. How are we hurting the communities by doing this?

When I was a young student in law school, I remember a professor saying, "Well, that's a red herring." I thought, "What is a red herring?" I thought a red herring was a fish or something. Well, these are not red herrings. These are things that do not have anything to do with the merits of the subject. These are smokescreens.

Now, what else is in this legislation? I can see my friend from West Virginia is standing up, so I am going to not go through all I was going to go through because this really should be a health care debate, but there is so much out there being said, I say to the Presiding Officer, that is simply not true I feel I have to say something now so at least I can engage my Republican friends in a little truth in debating as we go down the road.

What are the major arguments used against this bill?

I ask unanimous consent that the totality of all that is in the crime bill conference report broken out in terms of how much is spent for each item be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### SUMMARY OF CRIME CONFERENCE REPORT

##### TOTAL TRUST FUND DOLLARS—\$30.2 BILLION

Provides \$30.2 billion over six years through the Violent Crime Reduction Trust Fund. Savings from the President's reductions in the federal workforce, as calculated by the Congressional Budget Office—and locked in by reductions in the budget caps—will fund \$30.2 billion in crime bill initiatives as follows:

##### LAW ENFORCEMENT—\$13.2 BILLION

State and local—\$10.7 billion, including:  
Community Policing: \$8.8 billion to put 100,000 police officers on the streets in community policing programs.

Rural law enforcement: \$245 million for rural anti-crime and drug efforts.

Technical automation: \$130 million for technical automation grants for law enforcement agencies.

Brady bill: \$150 million for Brady bill implementation.

Drug enforcement: \$1 billion in Byrne formula grants.

DNA: \$40 million for DNA testing research and programs.

Courts, prosecutors, and public defenders: \$200 million.

Federal—\$2.6 billion, including:

FBI: \$250 million.

DEA: \$150 million.

INS and Border Patrol: \$1 billion.

United States Attorneys: \$50 million.

Treasury Department: \$578 million.

Justice Department: \$300 million.

Federal Courts: \$200 million.

##### PRISONS—\$8.3 BILLION

Grants to States: \$6.5 billion to states for prisons and incarceration alternatives such as boot camps to ensure that additional prison cells will be available to put—and keep—violent offenders behind bars. 40% of monies to be set aside for states that adopt truth in sentencing laws.<sup>2</sup>

Allen Incarceration: \$1.8 billion to states for the costs of incarcerating criminal illegal aliens.

##### CRIME PREVENTION—\$7.4 BILLION, INCLUDING:

Ounce of Prevention: \$100 million to create an interagency Ounce of Prevention Council to coordinate new and existing crime prevention programs.

Community Schools: \$630 million for after-school, weekend and summer "safe haven" programs to provide children with positive activities and alternatives to the street life of crime and drugs.

F.A.C.E.S.: \$270 million to provide in-school assistance to at-risk children, including education, mentoring and other programs.

YES: \$550 million for the President's Youth Employment and Skills crime prevention program, to provide jobs to young adults in high crime areas. Conditions program involvement on continued responsible behavior. Authorizes an additional \$350 million from non-Trust Fund sources.

Violence Against Women Act: \$1.8 billion to fight violence against women.

Includes funds to increase and train police, prosecutors, and judges; to encourage pro-arrest policies; for victim services and advocates; battered women's shelters; rape education and community prevention programs; a national family violence hotline, and increased security in public places.

Provides first-ever civil rights remedy for victims of felonies motivated by gender bias.

Extends "rape shield law" protections to civil cases and to all criminal cases to bar irrelevant inquiries into a victim's sexual history.

Requires all states to honor "stay-away orders" issued by courts in other states.

Requires confidentiality for the addressees of family violence shelters and abused persons.

Local Partnership Act: \$1.8 billion for direct funding to localities around the country for anti-crime efforts, such as drug treatment, education, and jobs.

Model Intensive Grants: \$895 million for model crime prevention programs targeted at high crime neighborhoods.

Community Economic Partnership: \$300 million for lines of credit to community development corporations to stimulate business and employment opportunities for low-

<sup>2</sup>Footnotes at end of article.

income, unemployed and underemployed individuals.

**Drug Treatment:** \$425 million for drug treatment programs for state (\$300) and federal (\$125) prisoners. Creates a treatment schedule for all drug-addicted federal prisoners. Requires drug testing of federal prisoners on release.

**Anti-gang grants:** \$125 million for programs to give young people positive alternatives to gangs (such as academic, athletic, artistic after-school activities, mentoring programs, scout troops, and sports leagues).

**Sports Leagues:** \$40 million for midnight sports leagues to give at-risk youth nightly alternatives to the streets, and \$50 million for the U.S. Olympic Committee to develop supervised sports and recreation programs in high-crime areas.

**Boys and Girls Clubs:** \$30 million to establish clubs in low income housing communities, and \$10 million to encourage police officers to live in those communities.

**Triad:** \$6 million for partnerships between senior citizen groups and law enforcement to combat crimes against elderly Americans.

**Police Partnerships:** \$20 million for partnerships between law enforcement and social service agencies to fight crimes against children, and for the creation of youth councils to combat crime.

**Visitation centers:** \$30 million for supervised centers for divorced or separated parents to visit their children in "safe havens" where there is a history or risk of physical or sexual abuse.

#### DRUG COURTS—\$1.3 BILLION

Provides \$1.3 billion for drug court programs for at least 600,000 nonviolent offenders with substance abuse problems over the next six years. Participants will be intensively supervised, given drug treatment, and subjected to graduated sanctions—ultimately including prison terms—for failing random drug tests.<sup>3</sup>

#### FIREARMS

**Assault Weapons:** Bans the manufacture of 19 named military-style assault weapons, assault weapons with specific combat features, "copy-cat" models, and high-capacity ammunition magazines ("clips") of more than ten rounds.

**Kids and Guns:** Prohibits the sale or transfer of a gun to a juvenile, and possession of a gun by a juvenile.

**Domestic Abusers:** Prohibits gun sales to, and possession by, persons subject to family violence restraining orders.

**Gun Licensing:** Strengthens federal licensing standards for firearms dealers.

#### GANGS AND YOUTH VIOLENCE

**Gang Crimes:** Provides new, stiff penalties for violent and drug crimes committed by gangs.

**Using kids to sell drugs:** Triples penalties for using children to deal drugs near schools and playgrounds.

**Recruiting, encouraging kids to commit crimes:** Enhances penalties for all crimes using children, and for recruiting, encouraging children to commit a crime.

**Drug free zones:** Increases penalties for drug dealing in drug free zones—near playgrounds, schoolyards, video arcades, and youth centers.

**Public housing:** Increases penalties for drug dealing near public housing projects.

**Adult prosecution of violent juveniles:** Authorizes adult treatment of 13 year olds charged with the most violent of crimes (murder, attempted murder, aggravated assault, armed robbery, rape); authorizes grants to states for bindover programs for violent 16 and 17 year olds.

#### DEATH PENALTY

Expands the federal death penalty to cover about 60 offenses, including terrorism, murder of a law enforcement officer, large-scale drug trafficking, drive-by-shootings, and carjackers who murder.

#### OTHER PENALTIES

**Three Strikes:** Mandates life imprisonment for criminals convicted of three violent felonies or drug offenses.

**Miscellaneous:** Increases or creates new penalties for over 70 criminal offenses, primarily covering violent crimes, drug trafficking and gun crimes, including:

Drive-by shootings; use of semi-automatic weapons; drug use, trafficking in prison; gun, explosives possession by convicts; sex offenses, assaults against children; crimes against the elderly; interstate gun trafficking; aggravated sexual abuse; gun smuggling; arson; hate crimes; and drunk driving.

#### TERRORISM

**Death penalty:** Creates new terrorism death penalty, and extends the statute of limitations for terrorism offenses.

**Increased penalties:** Increases penalties for any felony involving or promoting international terrorism.

**Treaty implementation:** Creates new offenses implementing treaties regarding crimes against maritime platforms and in international airports.

**Informants:** Creates new authority for the Attorney General and the State Department to bring witnesses to the United States to testify in terrorist crimes.

#### CRIMINAL ALIENS AND IMMIGRATION ENFORCEMENT—\$1 BILLION

**Deportation of criminal aliens:** Provides a new summary deportation procedure to speed deportation of aliens who have been convicted of crimes.

**Increased penalties:** Increases penalties for smuggling aliens and for document fraud.

**Funding:** Provides a total of \$1 billion for new border patrol agents, asylum reform, and other immigration enforcement activities.

#### CRIME VICTIMS

**Right of allocation:** Allows victims of violent and sex crimes to speak at the sentencing of their assailants.

**Mandatory restitution:** Requires sex offenders and child molesters to pay restitution to their victims.

**Protection of Victims fund:** Prohibits diversion of victims' funds to other federal programs.

#### FRAUD

**Telemarketing fraud:** Enhances penalties for telemarketing frauds targeted at senior citizens and multiple victims.

**Computer fraud:** Revises and expands computer crime offenses.

**Insurance fraud:** Creates a new federal offense of major fraud by insurance companies against their policyholders.

**Credit card fraud:** Revises and expands credit card fraud offenses.

#### FOOTNOTES

<sup>1</sup>Police Corps: Also authorizes \$400 million from the general Treasury for college scholarships for students who agree to serve as police officers, and for scholarships for in-service officers.

<sup>2</sup>An additional \$2.2 billion is authorized for prison and boot camps grants from the general Treasury (non-trust fund sources).

<sup>3</sup>The combination of prevention and drug court monies brings the total trust fund dollars for prevention and rehabilitation to \$8.7 billion.

Mr. BIDEN. Let me just point out some of the recent criticisms that I

have heard on television or on this floor from my Republican friends. One is that the crime conference report funds social welfare programs that have nothing to do with fighting crime. You have all heard that one, right. You heard that on the TV, read the paper lately. The crime prevention programs in the crime conference report are all, I might add, supported by law enforcement organizations. I ask unanimous consent that all the law enforcement organizations that have endorsed this legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### SUPPORT FOR THE CRIME BILL POLICE GROUPS

Fraternal Order of Police [FOP].  
National Association of Police Organizations [NAPO].  
International Brotherhood of Police Officers [IBPO].  
National Sheriffs' Association [NSA].  
International Association of Chiefs of Police [IACP].  
National Organization of Black Law Enforcement Executives [NOBLE].  
National Trooper's Coalition.  
Major Cities Chiefs.  
International Union of Police Associations [IUPA].  
Police Foundation.  
Police Executive Research Forum [PERF].  
Federal Law Enforcement Officers Association [FLEOA].

#### PROSECUTOR GROUPS

National District Attorneys Association.  
National Association of Attorneys General.

#### WHAT POLICE ARE SAYING

"\* \* \* the FOP strongly believes that the crime bill will benefit the citizens of this nation and provide a strong safety mechanism for our officers doing the tough job on the streets \* \* \* The Fraternal Order of Police believes that this Crime Bill has a balance of enforcement, prosecution/courts, prisons, and prevention, which will make a real difference in the incidence of crime over the next five years."—Fraternal Order of Police.  
"\* \* \* NAPO strongly supports the crime bill conference report \* \* \* As law enforcement officers, it is our job to fight crime and now we are finally being given the help we so desperately need. We cannot win the war on crime unless we are given the additional resources contained in the conference report."—National Association of Police Organizations.

"The IBPO's strongly supports and endorses the Crime Bill Conference Report \* \* \* The IBPO has long advocated comprehensive efforts to address violent crime where it occurs: at the state and local level. This crime bill represents historic achievements to accomplish this goal \* \* \* The crime bill is an appropriate balance of police, punishment and prevention \* \* \* critical to a long term cure \* \* \* The Crime Bill Conference Report is the most comprehensive legislation Congress has ever proposed to combat violent crime \* \* \* We urge you to take action now."—International Brotherhood of Police Officers.

"We need to do everything possible to stop the rising crime, especially in rural America where sheriffs have the vast majority of the responsibility. We support swift passage of the Conference Report \* \* \* and hope that Congress will see to it that law enforcement

and our entire criminal justice system gets the help it so desperately needs."—National Sheriffs' Association.

"We strongly support the bills' provisions and desire to have it passed as expeditiously as possible."—International Association of Chiefs of Police.

"\*\*\* we are convinced that the comprehensive legislation \*\*\* is a monumental milestone in assistance to local jurisdictions in reducing crime \*\*\* we at NOBLE are fully supporting the passage of the crime bill. \*\*\*"—National Organization of Black Law Enforcement Executives.

"\*\*\* we believe that the compromise crime bill legislation just sent forward by the conference committee is necessary and we urge all members of the House and Senate to support it and the President to sign it."—National Troopers Coalition.

"We urge you to pass the crime bill \*\*\* the legislation contains initiatives of great help to federal, state, and local police in their quest for safer streets."—Major Cities Chiefs.

"\*\*\* the passage of this bill would be a landmark in balancing broad social interests while addressing the real day to day needs of street level law enforcement officers \*\*\* with its immediate passage, the officers on the street will move forward knowing they now have the support they have needed for so long."—International Union of Police Associations.

"The failure of this bill to pass would represent a terrible blow to citizens who are besieged by crime and violence."—Police Foundation.

"PERF believes that this Crime bill is a balanced and reasonable response to the crime PERF members face in cities across the country. We urge every member of Congress to support police by voting for passage of the crime bill as outlined in the conference report."—Police Executive Research Forum.

"It [the Crime Bill Conference Report] is the most comprehensive piece of anti-crime legislation in the history of this country \*\*\* FLEOA urges you and your colleagues for the quick passage of this very important piece of legislation. It is important to note that laws alone don't make people safe, law enforcement officers with adequate resources do!"—Federal Law Enforcement Officers Association.

#### PROSECUTOR GROUPS

"The National District Attorneys Association wholeheartedly supports the efforts of you [letter addressed to Senator Biden], and your colleagues, in structuring a Crime Bill that promises to make significant inroads in our national fight against crime \*\*\* we believe that the final effort provides a balance of programs that hold the potential for making a vast difference for our nation in reducing the crime rate. We would urge that the Crime Bill be enacted."—National District Attorneys Association.

"\*\*\* we are pleased to add our endorsement of your efforts and pledge the support of the Association in implementing the provisions of this bill."—National Association of Attorneys General.

Mr. BIDEN. I might add, every law enforcement and prosecutorial organization I am aware of, Mr. President, supports this legislation.

But let us talk about many of these programs they are calling prevention programs and pork.

The violence against women bill, \$1.8 billion, for the first time making a

concerted effort to deal with domestic violence and violence against women by strangers in this Nation. It is outrageous what is happening to American women, outrageous in terms of being the victims of violence. With bipartisan support, that Violence Against Women Act, although I wrote the bill, is supported by not only Senator BOXER on this side as a major cosponsor but also by Senators HATCH and DOLE on that side; the legislation was voted for by almost everybody in this Chamber, Democrat and Republican.

You know that Virginia Slims commercial, "You've come a long way, baby." That is the good news, "You've come a long way, baby." The bad news is, we have come a long way. More women now walk out of their offices at midnight, working for major law firms, newspapers, and corporations. They get raped in parking lots, and they get mugged at bus stops.

One of the things we found out—again not rocket science—is if you put intense lighting, just lights, shed light on places like that, crime drops. So we put millions of dollars in here for States to be able to put lighting in high crime areas where women are victimized. Big deal. It is a prevention program. I challenge my Republican friends to stand up and introduce an amendment to take it out.

Another one, community schools: \$900 million; \$125 million, antigang grants, a Hatch amendment and a Dole amendment; \$425 million for drug treatment in prisons endorsed by William Bennett, former drug czar, now keeper of the principles of all Americans. The list goes on.

By the way, midnight basketball, my friends like to talk about midnight basketball. Do you know where we got the idea? It was one of those "thousand points of light" that President Bush shone upon all of us. It was a Bush idea. And it shone with such brightness that it was hard to resist. Guess what else? It is not midnight basketball to just go play basketball.

How many of you in the Chamber have helped the communities to try to raise money for Boys Clubs, Girls Clubs, the YMCA to try to take kids off the streets? Why do we close down schools at 5 o'clock in the afternoon? Why do we need to build new gymnasiums? Tell me. Why? The reason why is we close down the schools.

So communities have had some pretty good ideas. They found that when they keep the schools open, bring in social workers and keep the school open until midnight, and take kids off the street. Guess what? You do not have to build a new building. Guess what? Crime rates drop among juveniles. Big deal. Is not that a touchy feeling social program?

I hear my colleagues talking about the return of the Johnsonian era. What are they talking about? Which John-

son? This century or last? What are they talking about?

By the way, guess what, Mr. President? These kids, in order to get into many midnight basketball programs, have to be in school. They have to have their grades up. Guess what? They do it. Guess what? In cities with midnight basketball, those kids are in the gyms instead of out on the streets doing drugs and committing crimes. So \$40 million for midnight basketball was a good, solid Republican idea. Now it is a bad idea.

By the way, there are people in this room, people listening to this, who want to know how we hang them. We have a whole list of "hang him high." We have \$21 billion of "hang him high" stuff in here; \$21 billion dollars for cops, law enforcement, and prisons.

Let us talk about a few other facts versus fiction. This is a good one. By the way, I was handed a little card that was like a monopoly card where you play monopoly. It says "Get out of jail free," and they have a fat little guy in tails who looks like he is fleeing the jail. I have to give my Republican friends credit. They are very good. I have been here only 22 years. I marvel at how much better they are than we are. One of them handed me a little yellow card. I wish I had it in my wallet. I gave it to the conductor on the train on the way down. It is a little yellow card with a guy getting out of jail free.

It has release—what is it, 10,000?—10,000 drug felons. That is what this crime bill will do. Oh, man. When I heard that, I thought how could I be for that? I wrote it. How can I be for that? I am letting out 10,000 of those people. Then you look at what is in the bill. I went back and read it. Maybe I missed something here.

Let us talk about what it is. Let us talk about who sponsored it. HENRY HYDE, that liberal Republican from the House side, and Mr. MCCOLLUM of Florida, that other liberal Republican from the House side, along with Democrats as well, came up with a thing called a safety valve. Over here in the Senate, Senators THURMOND and SIMPSON also came up with a safety valve with Senators KENNEDY, LEAHY, and SIMON.

That is what we are referring to hear about this 10,000 people who get out of jail. The safety valve passed in the House says that, if you have been sentenced to jail on a flat sentence, a minimum mandatory sentence, or a drug offense, that you have an opportunity to petition to determine whether or not you could have that flat sentence looked at, reduced, even though it was a flat sentence. I was not for it. Some of my Republican friends were for it, not all; the lead Republicans, on the conference in the House; some of my Republican friends and some Democrats. Let us talk about what it does.

No one gets out of jail under this narrow so-called safety valve which applies only to nonviolent drug offenders; it permits them to ask to be sentenced under the sentencing guidelines, not be set free. Most offenders will not have to be resentenced because the new sentence they receive under the sentencing guidelines would be longer than the sentence for which they were sent. The Bureau of Prisons estimates that if this were law, 100 to a maximum of 400 nonviolent drug offenders would be eligible for release under this provision. That is the truth of the matter and what this bill says.

But, yet, when I heard on television my friend saying—I will not mention his name—"I cannot be for this bill. There are going to be released 10,000 violent drug offenders," I thought, Oh, my God. Maybe AL D'AMATO was right. We slip things into these bills that we do not know. It is simply not true.

Another one that is sort of the currency now—a few more of these, and then I will sit down. I will be doing a lot more of this over the next week or so. It will not be as informative as the Presiding Officer's speeches on the history of the Senate. But it will have the same intent—to educate.

The crime bill, we are told by my Republican friends, does not allow communities to be notified when a sex offender is released from prison. I heard that, too. I turned to Cynthia Hogan, chief of staff, and a very bright lawyer, and I said, "Cynthia, did we have this in my bill? Did that not happen to get in the bill? What happened here?" They said it just factually, that it was not in there. She said, "No. It is in the bill. It is in the conference report."

Let me tell you what is in the conference report. It requires the State to create registries of sex offenders; requires law enforcement to keep track of those offenders' whereabouts after the release from prison; and the provision explicitly permits law enforcement to give notice to the community to serve law enforcement purposes and to give the police immunity from releasing that information.

When my friends found out it was not in the bill—maybe those criticizing were not sure it was, in fairness to them—and we pointed out it was in the bill, they said, "Oh, we want it changed." I said, "What change do you want?" They said, "We want to make it mandatory"—we make it mandatory that there be a registry, that the police be informed; when the sex offender, after having served time, moves from one community to another, the scarlet letter follows them, and the next community is informed; we make all that mandatory. I said, "What do you want mandatory?" They want it mandatory that the police notify the community. I said, "They can do that now." They said, "No, we want it explicit, something in law saying they must." I said,

"What do you want to do, take out television ads, hand out fliers?" What is the indicia you are going to put in there to demonstrate that they did not? I said, "Do you have language? I will take it." And they still go around saying that sexual predators, having served their time, are not required to be part of a registry, and now and forever, every community where they move will be notified.

By the way, it sounds pretty draconian from a civil libertarians viewpoint, Mr. President, and the reason is that the only place where the evidence seems to indicate that we are totally incapable of rehabilitating is in the area of sex offenders, repeat sex offenders. So the fact that they have served a prison sentence, I am told—and I do not consider myself an expert here—I think I know a fair amount about the criminal justice system, but I do not pretend to have all the information on this point. But I am told by the experts that these people are the toughest to rehabilitate. So it makes sense to notify communities that sexual offenders, having served their time, are in the community.

My Republican friends keep running around saying—by the way, a tragic thing happened in our neighboring State of New Jersey. A young girl was murdered, allegedly by a released sex offender who moved into the community across the street, a neighbor, and the family or the neighborhood never knew that a sex offender was living in that house. It created an uproar, as it should. But we already took care of it in this bill that the Republicans are preventing us from being able to pass. They keep saying, "It is not in there." It is.

Another fact—and we will go through three more and I will yield the floor and come back another time. The two other things we most often hear is the crime conference report will fund only 22,000 police officers, not 100,000 new cops. That is the refrain I hear. Where they come up with 22,000, I do not know. Let me tell you what the facts are. The crime bill does provide for 100,000 new cops. It provides \$8.8 billion in a trust fund for that. It provides \$7.5 billion—\$75,000 per cop over a 6-year period totaling 100,000 cops; the \$1.3 billion that is remaining is for implementing and administering community policing, which is new to most communities and costs money. They need help doing it.

The program requires that the State match this commitment in Federal dollars over a 6-year period. But under the fiscal year 1994 budget, \$150 million in police supplemental money, having exactly the same matching requirements for cities and States, and your cities and your States, I say to the Presiding Officer—Delaware, California, Florida, Texas—fell all over themselves to try to participate in this \$150 mil-

lion program, which the distinguished chairman of the Appropriations Committee funded for the fiscal year 1994 budget. And we are funding \$8.8 billion over the next 6 years. What is different? Mayors and local officials today strongly support this program because they know it is real help for putting cops on the street.

The last point I will mention for the time being is that we are beginning to hear a slow rumble that I am counting on—and I say this seriously—when the debate takes place, that the debate will be led by the President pro tempore on this point, which is that we are hearing now, as if it is a new notion, that a point of order will lie to the conference report when it comes over here, as if we did something in the conference that generated a "point of order."

Well, as people on this floor know, the violent crime reduction trust fund is, and always has been, subject to a budget point of order objection, because it is within the jurisdiction of the Budget Committee, but did not go through the Budget Committee before being offered on the floor of the U.S. Senate.

Let me be crystal clear. When the trust fund was offered as an amendment on the floor of the Senate last November, sponsored by Senators BYRD, MITCHELL, HATCH, GRAMM, DOLE, DOMENICI, BIDEN, and others, this same point of order was in order then, as it is now. And the reason it was in order then, as it is now, is that this trust fund notion did not go through the Budget Committee. Indeed, since that time, my Republican friends—at that time, my Republican friends ardently insisted time and time again, as we moved toward conference, and they even passed a resolution instructing the chairman of the Judiciary Committee, yours truly, to insist in the conference that we keep the trust fund. Is that not strange? They said: BIDEN, we do not want you jimmying around over there, doing what those House guys do. The House guys did not have a trust fund. They did not have this in a trust fund. This was not real money. We insisted on it.

So the Senate and my Republican colleagues insisted that I go to conference and keep the trust fund. I was all for keeping the trust fund. Like I said, it was not my idea. I wish I could have claimed credit for having thought of it. This is the best thing we have done on crime, in my view. So I kept it in the conference. The House yielded to the Senate. Now I am being told by my Republican friends that they are going to insist on a point of order. Translated for the listeners, that means 60 votes are required before we can move forward.

Well, that is good politics, but it is not totally consistent with what Barry Goldwater used to say when he served here: "In your heart, you know I am

right." Remember that phrase? In their hearts, they know they are wrong. In their hearts they know. They asked me to keep the trust fund in, and in their hearts they know the trust fund is a good idea, and in their political soul, they are going to ask for a point of order requiring me to get 60 votes. Funny thing, we do not have 60 Democrats. So it is going to be hard.

But let us be honest. Why are we hearing about the point of order now? This is pure partisan politics, pure game playing by those who would rather see and score political points than give the American people help in fighting crime.

Mr. President, I thank my colleagues, who are here to discuss health care, for their indulgence. But there is no other time in the midst of this public debate that is going on to set the record straight. I stand ready to debate any one of my colleagues, not because I am any smarter, better, or any less or more informed, but because I know what I said here to be correct. I stand ready to debate them on any of the points raised here, and I challenge them to suggest to me why what I said here is not true. It is possible that I could have made a mistake, but I have spent 6 years on this.

The criticisms being made to the bill by my Republican friends are simply not real. The real criticisms of the bill that are occasionally made are that this bans assault weapons, military style assault weapons, less than 20 in number. There are Senators like my friends from Idaho, two Senators from Idaho, who feel very strongly that it is unconstitutional to do that.

I respect their point of view. I respect that. I disagree with it.

I teach the second amendment in law school in the course I teach. I believe the second amendment is real. You cannot ban all weapons. We are not trying to do all that. If you acknowledge that you can ban any weapon, then you already acknowledge it is not absolute.

For example, I wonder how many people think someone with enough money can buy an F-15 loaded with ordnance, or someone should be able to buy a theater nuclear weapon, or someone should be able to buy a hydrogen bomb? Obviously, it is crazy. People should not be able to buy those things. The second amendment says they have a right to bear arms. They are arms.

If you say you cannot ban those, why is it so outrageous to say something that has no utility other than to kill a person should be able to be banned? But there are some who believe it is unconstitutional. I respect them for that.

So, that is a legitimate argument against this bill. But you should have the courage to stand up and tell the American people: I am against this bill because I do not want to ban assault

weapons, even though I know it means 100,000 cops down the drain, 105,000 prison cells down the drain, 600,000 people now walking the street won't go into intense supervision. I think all that should go down the drain; 30,000 violent offenders in the States last year who were convicted but never served a day behind bars because there are no prison cells. They should continue to walk the street because the principle on the second amendment is important to me.

I respect you for that if that is your view. Say it. Do not say this releases 10,000 drug offenders. Do not say this is \$30 billion in new taxes. Do not say that this is pork. Do not say that there are not 100,000 cops.

By the way, I have less respect for—but I have been around long enough to have a serious appreciation for—a party that says, hey, look, our way back is to make sure we decimate this fellow in the White House. I understand that. I am a big boy. I have been around awhile. I am getting to be an old guy. I am 51 now. I have been here since I was 29. It took a while to learn. I learned. It is called hardball politics. A lot of people play hardball politics, Democrats and Republicans. I do not suggest they do not have a right to play hardball politics.

How many times have you heard the Republicans say and Democratic friends echo if the President loses the crime bill health care is in trouble? If the President loses the crime bill, he is in deep trouble.

That is stating the obvious. He is. If you want this crime bill to go down, because it is going to bring the President down, thereby enhancing the chances a Republican President will be elected, thereby from your standpoint the country will be in better hands and, therefore, what you are doing is for the good of the country, that is OK. I understand that argument. But make it straight up. Make it. Make it. Do not do what the Republican national chairman did so it was reported in the press—contact Republicans in the House and say that if you vote for this, you are going to be in real trouble—I am paraphrasing—you are not a loyal party person.

Now they say that was not done. Why was there a requirement on the part of the House leadership to hold up a letter coming from the Republican national chairman saying, "By the way, you can vote for this bill if you want"? Is that not an unusual thing? Who was it? I would yield to the Presiding Officer except he cannot respond. He would know. Which one of Shakespeare's characters said "He doth protest too much?" I think the national committee chairman doth protest too much when he has to write a letter shown on the floor of the House saying: "It is OK. You can vote for this Democratic crime bill and we will not do anything to you."

He doth protest too much. I am not even sure I got the quote right. But I got the principle right. I got the facts right. And I got my Republican colleagues right in the political crosshairs. I understand that.

Say it. Sing it. Be proud of your party discipline. But do not tell me you are letting out 10,000 drug felons to maraud the community. Do not tell me we are raising \$30 billion in new taxes.

This bill went down in the House last time because of the RNC and the NRA. Forty-eight Democrats voted against the bill because of guns. I respect their view. I think they are dead wrong. I respect their view.

Anyway, I think it is time for a little bit of truth in legislating. We want to debate the facts of this legislation. I stand ready to do that. Hopefully, I will be up for the task. I know my blood is up for that task. I know I have never been as frustrated, I must say with anything in my whole life. This is a bill that every police agency that I am aware of, Republican and Democratic alike, is for this bill. It is the toughest crime bill we ever drafted. It has serious, serious efforts in there to deal with violent offenders, and it has a serious and rational effort to deal with prevention programs that work.

#### A FEW EXAMPLES OF CRIME PREVENTION PROGRAMS AT WORK

##### Boys and Girls Clubs:

A 1992 evaluation by Columbia University and the American Health Foundation found that public housing projects with clubs experienced 13 percent fewer juvenile crimes; 22 percent less drug activity, and 25 percent less crack presence than projects without clubs.

Communities in Schools, Houston, TX—this program aims to keep at-risk kids in school—as opposed to out on the streets committing crimes. Professionals set up shop in the schools and provide one-on-one counseling, mentoring, tutoring, job training and crisis intervention.

An independent evaluation reported that approximately 90 percent of the kids served by the program are still in school at the end of the school year. In contrast, one-third of students entering high school statewide fail to graduate.

Police athletic teams [PAT], Birmingham, AL—the Birmingham Police Department sponsors softball, basketball, baseball and golf teams for kids from disadvantaged neighborhoods. The catch: The kids must study for at least an hour every night (the program supplies tutors) and must maintain a C average in order to play.

The Police Department reports that juvenile crime has dropped 30 percent in neighborhoods served by the program.

Southwest Key Day Treatment Program, Austin, TX—southwest Key case-workers provide round-the-clock tracking of kids who have had a brush with

the law, and who are out on probation or parole. The program counsels the kids and their parents, and also requires the kids to attend daily work-related, social skills and recreation sessions.

The Texas Youth Commission reports that the kids who complete the program have a 65 percent lower re-arrest rate than kids released from institutions directly into standard parole services.

Project First Class Male, Fort Lauderdale, FL—in this program, counselors meet with at-risk young boys at school and in their homes with an eye toward promoting sexual abstinence and reducing teen pregnancies.

An independent evaluation reports an 85 percent success rate in preventing new pregnancies.

The Phoenix House, New York, NY—Phoenix House provides live-in high schools for juvenile drug abusers. In addition to traditional curricula, the program helps kids kick their habits and develop self-esteem, discipline, and personal responsibility.

Phoenix House reports that 85 percent of its graduates remain drug and crime free for the 3 to 5 years that the program charts their progress.

The Juvenile Diversion Program, Pueblo, CO—this program for non-violent first time offenders requires kids to sign a behavioral contract and become involved with a nonprofit agency; the kids are also tutored, counseled, and required to pay restitution to their victims.

The program reports that 83 percent of its graduates are not re-arrested in the 2 years the program follows them.

"STARS"—Success Through Academic and Recreational Support, Fort Myers, FL—STARS, which has received accolades from Republican Senator CONNIE MACK, provides at-risk kids with positive, adult-guided tutorial and recreational programs.

The Fort Myers chief of police reports that, in the last 3 years, the program has led to a 27 percent reduction in juvenile arrests and a dramatic reduction in repeat-offender arrests.

Specialized Treatment Services, Mercer, PA—this program targets delinquent kids with mental health problems for intensive counseling and academic services.

The program reports that more than 80 percent of the kids who complete the program do not get into serious trouble during the 5 years that they are tracked upon release.

Mr. President, I used to have a schoolteacher and a grandmother who used to use the following phrase when she looked at me. I remember back when I was a kid in the fifties Boys Town was a big deal. You know, "He ain't heavy, Father. He's my brother."

Coming from a large Catholic family that was a big deal thought. It was one of the things my grandfather Finnigan

talked about, so on and so forth. I am proud of that. That is not belittling. I was very proud.

I never forget, in addition, one of the other phrases that Father Flannigan has. "There is no such thing as a bad boy." I am not so sure he is right about that. But I am prepared to accept that.

One of the things my grandmother said seems to be proven true by all the studies we have done and all the hearings we had. She used the phrase that is used probably in 50 different ways by 50 different cultures and a million different people. She always used to say: "Joey, an idle mind is the Devil's workshop." An idle mind is the Devil's workshop. Sounds kind of corny, does it not, Mr. President?

Like I said this is not rocket science. These are kids who are about to enter the drug stream and the crime stream, and one of the few things that stands between them and entering those drug and crime streams is an opportunity to be diverted—not converted—diverted from the idle mind that lets them sit in the projects up against the school brick walls on those hot summer days and decide whether or not to take that crack vial and try it or go into a basketball gymnasium or go into a system where they have people from the community, Big Brothers and Big Sisters, who are tutoring kids. That makes a difference.

Nothing in here is new under the Sun. And \$3.7 billion dollars of the prevention programs my Republican friends now call pork they supported on this floor, and many of them are Republican initiatives, like Senator DOLE's initiative.

I am going to read Senator DOLE's quote from his legislation. He is the one talking about all this pork. It is one sentence, if I can find it quickly here. It is a \$100 million juvenile drug trafficking and gang prevention program which I had in the bill, which he amended and wanted to make his legislation, which we did. Let me tell you what it says. It says:

This is Senator DOLE-sponsored legislation that was originally the bill that he amended. He said, \$100 million to

\*\*\* develop and provide parenting classes for parents of at-risk youth.

Not a bad idea; pretty good idea.

\*\*\* to develop and provide training in methods of nonviolent dispute resolution to junior high school and high school age children.

\*\*\* to establish sports mentoring and coaching programs in which athletes serve as role models to juveniles. To teach that athletics provides a positive alternative to drug and gang involvement.

That is ROBERT DOLE, the man who stands here and belittles midnight basketball, and what does he call it? Tap dancing in prison. Where that came from, I do not know.

If for midnight basketball you were required to be in school, where you are

required to maintain a C average, where you are required to be in a study hall, et cetera, if that is some flaky program, what is this thing? What is this thing that he voted for, put his name on, that all those folks over there voted for?

It went from here to there—they are wonderful alchemists, I would say to my friend from West Virginia. It went from a substantive program—as it made its way up that aisle, it got halfway down that corridor on the way over to the House of Representatives and it got midway and fell into a conference and it became pork. How did that happen?

I think it got politically barbecued as it made its way out this door. So I will not use the phrase, "what is one man's pork is another man's politics"—paraphrasing, "What is one man's meat is another man's poison." But it seems to me that there is a little alchemy 20th-century style going on here.

It is politics. So far it is very successful politics. So far obstructionist politics works better than constructionist politics. But it is politics. Just so the American people know what it is, that is all I care. If they conclude that team is right, that is what they want to do—well, that is what democracy is about. I will be back here next year. I am here for at least another 2 years, God willing and the creek not rising and my health maintained. I will come back at it again. But it is outrageous to suggest that this bill should go down for some of the reasons that are suggested by my Republican friends.

I thank my friend from West Virginia for his indulgence, allowing me to enter in the middle of this health care debate. But it seems to me, the same kind of shenanigans are going on on the health care debate that are going on on this crime debate, and, as I said, a little truth in legislating and debating might be useful.

Several Senators addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia.

#### HEALTH SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. ROCKEFELLER. Mr. President, I want to compliment the Senator from Delaware on his remarks and say I agree wholeheartedly with not only what he said but with the thrust of what he said.

It is very obvious now that Senators who want to pass a health reform bill are going to have to spend many long days and nights in their effort to do so. This is not happy news for our families—our own families. I shudder to think of some of the conversations—I know the one that took place in my own house last night—many of us with

spouses and children have had about canceling plans. Many who are not so fortunate financially have had to lay down nonrefundable tickets to places and they cannot get their money back. They want to go camping or visit relatives.

Nevertheless, we are here to do the work that the people want us to do. So we shall stay until this health care reform bill is passed, 24 hours a day if that is the right amount of time. And I am delighted, personally, that we are doing it. I think it is the kind of leadership and toughness which is correct.

But then we also have to remember why so many of us are unwilling to give in to the faction that is arguing for delay, or for postponement, for doing nothing, for ignoring the problems, for accepting things exactly the way they work and accepting them for the way they do not work.

Mr. President, I have a stopwatch here, and I arrived on the Senate floor about 90 minutes ago and have been waiting to speak since that time. I have made a simple calculation that during that time, the 90 minutes I have been waiting to speak, that 4,698 Americans have lost their health insurance and that 1,368 American children have lost their health insurance.

Yes, the voices for delay and obstructionism are right when they say that in that same time, other Americans, other children got back their health insurance. That is true. It proves the point about one distinctive feature of America's so-called health care system and that is that it is the ultimate revolving door. Yes, we are a country where health insurance can be returned. But for the most part we all know when we talk about 39 million Americans being uninsured, we are really talking about 60 to 64 million Americans who, for some significant part of a year, do not have health insurance.

Yes, we are a country of researchers, doctors, nurses, hospitals, vast medical complexes, drugs, medical discovery and breakthroughs. And that we all celebrate.

But we are also a country that leaves basic health security for its people, for its children, to something called "pure chance." If you work in Germany or France or Japan, you can count on basic health security in the same way that you can count on the Sun coming up. It does not fail. If you work in the United States of America, you cannot count on health insurance, whether you have it or whether you do not—unless you are lucky enough, that is, to live in Hawaii.

In America, playing by the rules, working full time, paying your taxes, does not mean that you can stop worrying even for one second about whether you can take a child to the doctor for a checkup or get some tests when a serious ache or pain sets in—unless,

that is, you are lucky enough to live in Hawaii where they are approaching universal health insurance coverage.

If you have health insurance in the United States of America but have to change jobs, that is when you better start worrying. You better make sure you do not have something called a preexisting condition on your records, because in America that means that any insurance company can slam the door in your face—and they do. I said last night—I see the Senator from Connecticut here—that it is absolutely beyond my wildest imagination that in this country called America, a young woman who is married and becomes pregnant but who does not have health insurance—becomes pregnant and then goes to try to get health insurance, cannot get health insurance because she has something called a preexisting condition; to wit, she has become pregnant. Only in America. That is why so many of us feel we have absolutely no choice but to go on and on and to persist and to persist.

Here we are trying to advance a bill—it happens to be the majority leader's bill—that does exactly what the vast majority of Americans have said over and over and over again that they want from this Senate and from this Congress and from this town. They want their health insurance to be there when they need it. They want their health insurance to be there when their children need it. They want their health insurance to live up to its word, to its printed word, and not hide dirty secrets like lifetime limits, exclusions for past illnesses, in a sea of fine print. And how many times have we seen that in our various States?

Americans want the revolving insurance door to stop. They want to focus on raising their kids, saving up for college, doing a good job at work instead of worrying that one false move, one accident at school or at the school playground—one lump will pull the rug out from underneath them.

I repeat, since arriving here this afternoon in the Chamber, more than 4,698 Americans have lost their health insurance and more than 1,368 children have lost their health insurance. That is in the 90 minutes that I have been waiting to speak. The revolving door turned them out. A few of them may get back in, but the revolving door has now turned them out, so even if they get back in, they could go out again, and they know it.

Now to turn to the very specific question before us. I also want to say something about the amendment from the good Senator from Connecticut, Senator CHRISTOPHER DODD. Talk about an idea that is as clear as day. This amendment calls on insurance plans to remember children when figuring out what it will cover and what it will not cover.

As my distinguished senior colleague knows, I was proud to Chair the Bipar-

tisan National Commission on Children just a few years ago, and it gave me the opportunity to travel across this country, across our State of West Virginia and meet with thousands and thousands of parents and children in all different kinds of situations, in the worst housing development slums in Chicago, to barrios in San Antonio, to all kinds of places.

Those of us who served on the Commission were incredibly diverse—diverse in our background, diverse in ideas, diverse in our philosophies, diverse in our professional backgrounds. There were, in fact, three members of the Bush administration, acting officials of the Bush administration, on that Commission.

But after 3 years of studying life of families and children in America, we reached the same unanimous conclusion. Fortunately, no one tried to keep us from concluding our work through filibusters. Our conclusion was that America has to turn what we say about children into deeds in terms of what we do about children and families.

The amendment before us, the Dodd amendment, tries to do precisely that. One of the essential ways to help families is to make sure that their insurance covers the most basic kind of health care for their children. It is a simple proposition. If you have private health insurance, it should cover what counts the most. If you are a family with children, the amendment says that your insurer has to cover the basics—prenatal care for pregnant women, essential care for babies, immunizations, and the like.

If we care about children and families, as we all say we do, we must come together on health care reform. How can we pretend that basic care for children should be left to chance—that is what we do today—left to economic chance, left to circumstantial chance? Even the insurance companies are not fighting CHRISTOPHER DODD's amendment.

Five million women in America have private insurance policies this day that do not cover maternity care—5 million. That might just be a reason that so many pregnant women do not get the prenatal care that they should be getting. Not the only reason, but certainly a very big one.

One out of every 10 under the age of 10 in America, I am embarrassed to say, is uninsured. Talk about costs. These are children whose earaches can turn into lifelong disabilities, probably will turn into lifelong disabilities, who develop diseases that can be prevented with medicines and vaccines, all things which are readily available to us as an advanced industrial society, and who head for school, therefore, without the benefit of all of these things are already behind. We talk about Head Start, these children are starting way behind.

We have to do something about this, Mr. President. We have to weigh and measure and contrast the Mitchell plan, or any other plan, with the costs and the consequences of doing nothing. The numbers of uninsured children can be absolutely numbing; if you try to see them in your eye. I think of certain ones in West Virginia, Minnesota, and other places that I have been, but when you think in terms of the numbers of millions of children, it just becomes numbing, and then you know that in no other industrial society are any children uninsured, except in our own.

So let me share one story of a West Virginia family, that I visited recently, with the Presiding Officer and my colleagues who might be listening, the Bosworth family in Wheeling, WV.

The Bosworths are good people who are struggling. They have two daughters, Stephanie, who is 23 years old and who has cerebral palsy, and Nicole, who is 15. Steve, the father, was a salesman but became unemployed and is working odd jobs whenever he can find them. His wife, JoAnn, works part time at their church. No insurance involved in either case.

The family, in fact, tried to buy insurance, but because Stephanie has cerebral palsy, the cheapest plan that they could find to buy was \$400 a month; hence, \$5,000 a year, way out of reach for the Bosworth family, just out of the question. They could not afford it and, therefore, could not get it.

Medicaid covers Stephanie's health care, but the rest of the family is uninsured. Steve and JoAnn—the father and mother—and Nicole simply cannot get the health care that they need because they have no health insurance. Remember, they are both working as best they can. Nicole, the younger child who is 15, recently had a seizure and the family has no idea what the cause was. Without insurance, this young teenager has the seizure and does without medical analysis.

Our system is unfair, Mr. President, for Nicole Bosworth. Our system is unfair for the Bosworth family. The father is working and the mother is working as best they can, but they cannot scrape together enough money to buy health insurance.

They are fortunate that the child with cerebral palsy has Medicaid, but they are unfortunate in every other aspect of their life, as far as health care is concerned.

Under the Mitchell bill, over 7 million children will get insurance. Under the Dodd amendment, coverage for preventive services, children and pregnant women would begin in July of next year, less than a year from today. In West Virginia, the Mitchell bill would give 74 percent of children who are uninsured today coverage by 1997 and coverage for the rest would be phased in over the next few years.

Forty-eight thousand children will get private health insurance coverage—

not Medicaid—but private health insurance coverage through this bill. At the end of our debate, I want to be able to go back to Wheeling, WV, and I want to tell the Bosworth family that they can sleep this night, or maybe tomorrow night knowing that their Nicole will have something called reliable, affordable health insurance coverage. I think that is a dream that ought to come true, and it just so happens that that is a dream that we can make come true if we adopt the Dodd amendment.

Mr. President, I thank the Presiding Officer, and I yield the floor.

Mr. MCCONNELL. Mr. President, having been here a couple of hours and having listened to debate on other subjects than health care, I am here principally to talk about health care reform but I did want to make one observation before beginning.

I listened with considerable interest to my friend, the junior Senator from Minnesota, earlier this afternoon railing about the contributions from political action committees and asserting that somehow that was slowing the process of health care reform. I am not here to make a campaign finance speech, but I want to make a couple of observations.

No. 1, political action committees—of which Republicans are no fan, I might add. And, as a matter of fact, I was the first Senator to suggest that we get rid of PAC's altogether, a proposal which was subsequently adopted as the Senate position in the campaign finance bill last summer. But it is interesting to note that the PAC's, which my friend from Minnesota believes are slowing down the process, in the last cycle in Senate races gave 57 percent of their money to Democrats and only 43 percent to Republicans, and in the House 67 percent to Democrats and only 33 percent to Republicans. In the House of Representatives, the political action committees gave 67 percent of their money to Democrats, only 33 percent to Republicans.

My own view is that the PAC's are not buying influence on this issue. I think this is an issue much too important to the American people to be sort of kissed off in terms of political contributions. If anything buys votes in the health care debate, it is promising big taxpayer-funded solutions to these problems. There are those on the floor of the Senate who would seek to buy those votes with tax dollars by promising this group or that group or this group that the Treasury is going to pick up the tab for your problems. If anybody could rightly be accused of trying to buy votes on health care reform with dollars, it would seem to me it would be those who use, not their money, not the money of the political action committees, but the money out of the Treasury, out of the Treasury I repeat, to promise benefits to one group after another.

Of course, those are largely the same people who would like to dip into the Treasury to pay for political campaigns as well—the ultimate perk, the ultimate entitlement. There are those who seriously believe that we ought to start a new taxpayer entitlement program for each of us as we sit here on a multitrillion dollar debt.

That is a subject for another day, and I raise it only by way of observation after listening to my friend, the junior Senator from Minnesota, whose position I believe is that we should have a single-payer system. That is the ultimate, total, final Government takeover of health care, the ultimate buying of influence, if you will.

With regard to the subject before us today, I want to start by reiterating a point the Republican leader made very effectively in his opening statement just the other day. It bears remembering as we move down the road toward some kind of health care reform.

America has the best health care system in the world. America today has the best health care system in the world. Right now, every other nation on Earth looks to the United States as the quality leader in health care, the leader in surgical innovation, the leader in pharmaceutical breakthroughs, the leader in medical technology, the leader in health care education, the leader in hospital design, and the leader in health care management.

Now, Mr. President, the second point I wish to make is equally important. The reason why America has the best health care in the world is not because of some mammoth legislation enacted by Congress. It is not because of any regulation implemented by the U.S. Department of Health and Human Services, and it is not because of some health care task force put together by the White House. It is because the free market system and the forces of competition gave an incentive to hundreds of thousands of individuals and companies to improve the quality and availability of health care services for every single American.

The Government did not make our health care system the best in the world. People did, people who are highly trained, totally dedicated, and thoroughly experienced—and free to make a fair and honest wage from the work they do so well.

Yet, we have before us today a massive, 1,400-page social experiment based on the dubious premise that the Government can do a better job of managing our health care system than the hundreds of thousands of dedicated experts who do it every day, 52 weeks a year.

Somehow, the Government that purchases \$200 toilet seats and \$60 nails is going to bring cost efficiency to hospitals and doctors' offices.

Somehow, the Government that leaves millions of postal letters languishing in warehouses in the District

of Columbia is going to make millions of delicate decisions about who gets what kind of health care services and when they get them.

Somehow, this same Government that absorbs more and more of our paychecks every year is going to give us a bargain, a bargain on our health care.

The President and his allies in Congress would have us believe that if we just turn our health care system over to the Government, we will get a Neiman-Marcus product, with Tiffany's accessories and Nordstrom's service, all at K-Mart prices. What is not to like about that? But when you test this dubious premise against the daily practical experience of most taxpayers, it just does not hold any water.

Because of that, the American people have become deeply fearful of what Congress may be about to do to the best health care system in the world, deeply fearful about what we may do to the best health care system in the world. By an overwhelming margin, Americans are telling us that Congress should not pass a radical, top-to-bottom restructuring of our health care system. According to a USA Today-CNN survey conducted just a few days ago, voters favor a gradual, multiyear approach to health care reform instead of the radical Democratic leadership bills, by a margin of 68 to 28 percent.

I heard the Senator from New York, Senator D'AMATO, talking about the phone calls he had gotten in his office, various offices in New York over the last few days. Just looking at the mail count in my office just since last Saturday—looking at only the mail now, not the telephone calls; I have received 68 pro Clinton-type reform letters; 1,011 against. And again looking at letters since the last week of July, 250 letters in favor of the Clinton approach; 4,251, against.

Now, looking back at the USA Today poll, which assesses the mood across the country, nearly 60 percent of our constituents believe that the middle class, as usual, will be hurt the most by the steep tax increases and the social engineering contained in both the House and the Senate Democratic bills. And even more than the important issue of universal coverage, voters are concerned that Congress will pass a bill that gives the Government too much control over their health care.

Are the voters just misinformed, as the White House spin doctors claim? Folks out there, I guess, are not smart enough to know what is going on. That seems to be the White House position. Perhaps they are simply unable to comprehend the great public policy issues which the administration has so thoughtfully resolved for them. Just a communications problem, the White House says. People do not understand what is going on. And apparently they have been preaching to members of their party to rise above those nasty

people. The way to be a profile in courage is to go against your constituents.

It is an interesting argument, Mr. President. The American people, I do not think, see it that way. They do not think they are misinformed. They do not think they do not know what is going on. They would like for us to respond to their desires on this issue. In fact, the American people are a lot smarter than the Democratic leadership gives them credit for. I think they have figured out the Clinton bill and its Democratic offspring.

They figured out that it was putting the Government in charge of their personal health care. They figured out that the Democratic leadership bills would set spending caps through global budgets that would eventually result in health care rationing. They figured out that these bills would herd them into Government purchasing monopolies, and force one-size-fits-all policies on everybody, whether they like it or not.

Our elderly constituents have figured out that these bills would cut deeply into Medicare spending. They have figured out that a Government-run health care system would be more expensive, more bureaucratic, and less responsive to each individual's medical needs than the system we have today. And the American people clearly do not want any part of it. I mean virtually every phone call coming to my office here and into the six offices in Kentucky are about this. They do not want it. Nobody can orchestrate this kind of telephone contact. I have never experienced it before in my 10 years in the Senate.

Could it be that the majority leadership is right, and millions of Americans are all wrong? Let us take a look at the bill before us to attempt to answer that question.

First of all, this bill would radically change our entire health care system from top to bottom, radically change it. It would change the way Americans obtain insurance, what kind of benefits they would be allowed, and how much they would have to pay in premiums, not to mention new taxes and how much the Government would be involved in deciding all of that.

The bill before us contains 8 new entitlements, 17 new taxes, 50 newly minted bureaucracies, 177 new State mandates, and nearly 1,000 new Federal powers and responsibilities. The Great Society is over. Welcome to the "Great Bureaucracy."

If this bill becomes law, the competitive free market character of our health care system would be radically transformed into a top down, highly centralized regime. It is clear that the proponents of this legislation want to go far beyond our shared goals of making health care more accessible and affordable for all Americans, and increasing the number of individuals who have adequate health care insurance.

We could accomplish both of these important goals without 17 new taxes or a single new bureaucracy. But the goal of the bill before us is not increased coverage but increased control; I repeat, not increased coverage, but increased control, Government control. The manifestation of this control agenda is the mandated, standardized benefits package that would be designed by Federal bureaucrats and forced on every single American citizen.

For the average person who already has insurance, this mandated approach is a sure way to increase the cost of health care. Many Americans will see their premiums rise dramatically to compensate for the added benefits they must purchase in a compulsory one-size-fits-all package. For many middle-income families, the cost of health insurance will balloon even more under the Mitchell bill's community rating provision. The bill stipulates that premium rates may vary only by family size and by age. Lifestyle habits cannot be taken into account. Geographic location cannot be considered, and no incentives are offered to use services in a responsible, cost-efficient manner.

Can you imagine what would happen to automobile insurance rates if insurers could not take driving records into account? That is essentially what this bill does. It charges the mild-mannered Sunday driver the same rate as the drag racer with three drunken driving convictions.

Moreover, the bill requires all cost differences to be phased out by the year 2002. As a result, younger, lower-income families will be hit the hardest as their premiums skyrocket to subsidize coverage for older and frequently wealthier Americans.

The other side of this legislation's control agenda is the burden it puts on small businesses, as well as their employees. Under the Clinton-Mitchell bill, every employer must provide a choice among three Government-designed plans. Keep in mind that the bill does not require choices among benefits packages, but rather choices of how to pay for the plan. This three-option requirement will add considerably to the administrative costs that businesses will face in offering insurance.

Many businesses today are using an insurance funding mechanism called self-insurance to keep their costs down. The Mitchell plan bans self-insurance for companies with less than 500 employees. Some predict that 400,000 businesses will be impacted by this provision alone.

For example, I recently heard from an independent broker in Fort Mitchell, KY, among whose client is a self-insured steel mill with just under 500 employees. He told me that the administrative cost of this plan, the Clinton plan, is less than 4 percent of the plant's total cost. But by prohibiting this company from self-insuring and

forcing it to offer three different plans, this legislation will add hundreds of thousands of dollars to the annual cost of providing health care for its employees. Basically, this company and thousands like it will have only two choices: cut wages or cut work force. That is the painful decision that employers all across America will be faced with because of this bill.

In general, however, Americans have relatively few decisions to make under the Mitchell bill because the Federal Government will make most of the decisions for them, at least as they pertain to their personal health care.

The most powerful and intrusive monolith envisioned by this legislation is the National Health Benefits Board. This board would have the authority to unilaterally decide what medical services Americans should receive.

Just looking at the section on the Board in the bill, as you can see, this is not exactly a small bill:

A, the Board shall be authorized to establish a criteria for determinations of medical necessity or appropriateness; B, procedures for determinations of medical necessity or appropriateness; and C, regulations or guidelines to be used in determining whether an item or service, under categories of items and services described in another section, is medically necessary and appropriate.

Suffice it to say, Mr. President, this is a very powerful Board. This National Health Benefits Board is going to have enormous authority.

Federal bureaucrats ensconced in their marble-lined office suites will be making the most personal, life-or-death decisions for each and every American family, stamping out cookie-cutter health plans as if they were just another mass-produced widget. Not only will this board have unprecedented powers over every single American citizen, it will also be completely unaccountable to those who are impacted by its decisions.

The members of this health care junta will be unelected and by the terms of this bill, they will also be exempt from the Federal Advisory Committee Act. The Federal Advisory Committee Act establishes some basic management and oversight criteria for commissions to keep them from becoming a law unto themselves. Coincidentally, it is the same law that Hillary Clinton's health care task force may have run afoul of, and that issue is now the subject of intense litigation.

Under the Federal Advisory Committee Act, each and every Federal Commission must be rechartered every 2 years. They have to be rechartered every 2 years. I understand, however, that this bill takes the liberty of exempting the National Health Benefits Board and its companion, the National Health Care Cost and Coverage Commission, from such troublesome obliga-

tions. Under this bill, these faceless agencies are established as permanent—I repeat, permanent—fixtures on the bureaucratic landscape. So what we have is an all-powerful Federal agency, created through a process that may have violated the Federal Advisory Committee Act, and which is, itself, exempted from the very same accountability and safeguards. You can say one thing about this bill: it sure is consistent.

It is important to note here that this National Health Benefits Board, which is totally unaccountable to the American people, will be easily accessible to special interest lobbyists who want special treatment for their clients.

But there are a few things this Jabba-the-Hut board will not be able to do. For example, it will not be able to authorize medical savings accounts, which are a flexible and innovative way for Americans to finance their medical needs. That is because medical savings accounts are not an option under this legislation. That is really too bad, because experience shows that people who have medical savings accounts tend to become more cost conscious about the services for which they are paying.

This bill also does not allow self-employed Americans, like most of our Nation's farmers, to deduct all of their health costs from taxable income. The bill does raise the deduction to 50 percent, but that hardly amounts to equitable treatment for those in this country who are self-employed. I had supposed that equitable treatment was one of the goals of real health care reform.

Mr. President, one should not conclude, however, that this bill does nothing but take away and restrict and limit and reduce. It does all of those things in spades, but it also vastly increases opportunities for one very special group of Americans: lawyers.

Lawyers are going to love this bill, Mr. President. While many Americans will be heading toward the unemployment line as a result of this bill, such as the employees of the steel mill in Kentucky I talked about earlier, the lawyers of our country will be heading to the courts in droves and laughing all the way to the bank. Medical schools will be heavily regulated under this bill, with a Commission on Medical Education breathing down their necks, while law schools will not be able to turn out lawyers fast enough to meet the demand for litigation.

Let me pause on that point. This legislation's ham-fisted regulation of medical schools throughout the country stands by itself as a monument to congressional hubris. What we are saying through this particular provision is that the Government knows better than all the health care educators and administrators in America. We up here in the Government know better about this than you educators and adminis-

trators. We are going to fix it for you. We are saying to all those aspiring to be health care professionals: Forget your dreams, forget your desires; the Government can tell you what to do from now on. We are going to be in charge of your life if you are going to be a health care provider. We will decide for you.

This provision does not belong in a bill that is being considered in what is usually thought of as a free country. I can only imagine what the response would be if we had a provision in this bill that contemplated regulating the numbers and specialties of lawyers. Imagine that, Mr. President. Imagine what the reaction would be if we had provisions in this bill regulating the numbers and the specialties of lawyers. There would be great breast-beating and stirring speeches, not to mention intense lobbying by the American Trial Lawyers Association, all arguing the point that such a heartless provision would deny people the one thing they need most: legal services. Legal services. What if some national commission discovered there was a shortage of corporate tax lawyers in the Rockies? Imagine that—a national commission decided there was a shortage of corporate tax lawyers in the Rockies. Would we then use the heavy hand of the Government to force some of those Gucci loafers out there into the Rockies?

As it stands, this bill is very good to lawyers. It will employ lots of them and compensate them quite well. A little advice to you parents who may be watching: if this bill becomes law, send your kids to law school, not medical school. Leaving aside possible legal claims for fraud, medical malpractice, and privacy violations under this bill—now listen to this—this legislation will create no less than 16 new varieties of lawsuits, Mr. President. Just what our country needs, some new causes of action to pursue in the courts of America. We will have a shortage of lawyers. We will need to produce new lawyers, and we will have new causes of action and go out and clog up the courts of America. If you think that is what America needs, by golly, you will love this bill. It may ruin your health care, but this may put an extra BMW in the garage of every enterprising lawyer in America—maybe two BMW's in the garage of every enterprising lawyer in America. Well, at least somebody will benefit from this thing.

Of course, we are already paying an enormous litigation tax on most goods and services we buy, including health care.

Let me say that there was an article today in the New York Times on this question of increased lawsuits under this bill, entitled "U.S. Judges Warn of Health Lawsuits," written by Robert Pear.

There is great concern among the judges who have to wrestle with all of

this increased litigation and the impact of this legislation.

I ask unanimous consent that today's New York Times article entitled "U.S. Judges Warn of Health Lawsuits" be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 15, 1994]

THE COURTS: U.S. JUDGES WARN OF HEALTH LAWSUITS

(By Robert Pear)

WASHINGTON.—The top policy-making body for the Federal courts has expressed concern that health care bills pending in Congress would generate a flood of litigation by people trying to enforce new rights to medical benefits and insurance payments.

The judges said they were worried that many of those disputes would end up in Federal courts.

The organization, the Judicial Conference of the United States, took no position for or against the legislation, which is intended to control health costs and widen access to health insurance. "Policy decisions concerning health care reform are properly within the province of the other branches of Government," it said.

But the judges noted that Federal courts were already inundated with drug cases, which have caused delays for civil cases in many regions. The anti-crime bill now pending in Congress would give Federal courts jurisdiction over many additional offenses, including gang violence.

The Judicial Conference laid out four principles that it said would guarantee that disputes over health benefits were resolved quickly and efficiently, without clogging Federal courts. In general, it said, these disputes should be handled through administrative proceedings and then, if necessary, in state courts.

President Clinton's health care plan and the bills offered by the Democratic leadership are, in many ways, inconsistent with the judges' recommendations. For example, the bills would give consumers more immediate access to Federal courts than the judges consider appropriate. But these provisions have drawn little attention for lawmakers.

MORE LAWSUITS?

In several decisions over the last decade, the Supreme Court has severely restricted the rights of consumers to recover damages when their claims were improperly denied or delayed by insurers.

Senator Howard M. Metzenbaum, Democrat of Ohio, said, "It's ridiculous to suggest that the legal floodgates will be opened merely by giving people the right to sue if they have been wrongfully denied badly needed coverage."

Gwen Gampel, president of Congressional Consultants, a health care consulting company, said the experience of Medicare suggested that the Federal courts would not be flooded with new lawsuits.

But Barbara J. Rothstein, the chief judge of the Federal District Court in Seattle and the chairwoman of the Judicial Conference subcommittee on health care, said any bill guaranteeing a right to health care or health insurance would increase litigation.

"It could have a drastic impact on the courts," she said in an interview today. "That's what we're concerned about."

Judge Rothstein, who was appointed in 1980 by President Jimmy Carter, said that if the

courts were overwhelmed with new cases, people with urgent medical needs would be unable to have their claims resolved promptly.

ADVICE FROM JUDGES

In its statement of principles, the Judicial Conference said:

"The full exhaustion of administrative remedies for benefit denial claims should be a requirement for any health care legislation. Claimants should not be permitted to bypass administrative remedies and to proceed directly into a court.

"Following the exhaustion of administrative remedies, and consistent with the general principles of federalism, state courts should be designated as the primary forum for the review of benefit denial claims.

"Traditional discrimination claims and actions should be handled differently from benefit denial claims based on issues such as medical necessity.

"To insure the effectiveness of the enforcement provisions of any health care legislation, it is critical that sufficient resources be provided to the responsible administrative and judicial entities."

The same principles were endorsed this month by the Conference of Chief Justices, representing the top judges of the nation's state courts. The group said many state courts were already "struggling with inadequate resources to meet the demands of ever-increasing caseloads."

The bills proposed by President Clinton, by the Senate majority leader, George J. Mitchell, and by the House majority leader, Richard A. Gephardt, would allow consumers to go into Federal courts to challenge the denial of health benefits. Consumers could pursue their claims in mediation proceedings or in administrative hearings at complaint review offices, but they would not have to use such alternatives.

The bills would also permit consumers to sue health plans, state governments and the Federal Government for failure to carry out duties established by the legislation.

The bills generally say courts should take such cases "without regard to whether the aggrieved person has exhausted any administrative or other remedies that may be provided by law."

Victims of discrimination could file Federal or state lawsuits to get compensatory damages, punitive damages, punitive damages and injunctions. Plaintiffs could also seek "reasonable attorney's fees" at the prevailing rates.

Under the Mitchell and Gephardt bills, thousands of community health centers, public hospitals, family planning clinics and doctors in inner-city neighborhoods would be designated "essential community providers," and health insurance plans would generally have to sign contracts with them. An essential community provider "aggrieved by the failure of a health plan" to obey this requirement could file a lawsuit in Federal or state court to compel compliance and to recover damages.

DIARY—HEALTH CARE DEVELOPMENTS

Yesterday: After a day of long Republican speeches and Democratic rebukes, Senator George J. Mitchell, the majority leader, threatened to keep the Senate in session 24 hours a day starting tonight if Republicans do not allow the first votes on amendments to his health care bill.

Congress: Senator Bob Packwood of Oregon, who is orchestrating the Republican opposition on the Senate floor, contended that Mr. Mitchell had promised that sen-

ators "would not be rushed." Republicans denied that they were filibustering, although many of them spoke for hours. Mr. Mitchell said that if by this evening, no vote had taken place on an amendment to bolster private coverage for pregnant women and children, "then the Senate will remain in continuous session thereafter, through the evening; through the night."

White House: A doctors' group has rejected a proposed settlement in a lawsuit over whether the Clinton Administration's 1993 Federal health care task force must make its records public. Charles McDowell Jr., president of the doctors' group, the Association of American Physicians and Surgeons, said in a brief Monday that its board of directors voted 13 to 4 reject a settlement. He asked a Federal judge to delay further action on the case.

Mr. McCONNELL. We already pay an enormous price for the litigation under today's laws without adding these 16 new causes of action that are going to be made available under this legislation before us, if it passes. Just taking a look at the situation today, we have a chart up here called "The Price of a Suit." We are not talking about a suit of clothes, but the price of a lawsuit. Experts have calculated that hidden litigation tax for insurance, lawyers, and trials built into the price of consumer goods today.

Mr. President, we are not talking about what is going to happen under this bill. Under this bill, we are going to get 16 new causes of action. This is going to be a two-BMW bill for every lawyer in America.

For an 8-foot aluminum ladder, the average retail price today is \$119.33.

Now the true cost of that ladder is only \$94.47. The litigation tax is \$23.86.

Picking out a couple of products here that are more related to the health care debate which we are having here in the Senate, let us take a look at a heart pacemaker. The average retail price is \$18,000, but the true cost \$15,000. Mr. President, that is a \$3,000 litigation tax on every heart pacemaker, and that is today. That is before we get into the 16 new causes of action created under the Clinton-Mitchell bill.

A motorized wheelchair, average retail cost \$1,000, true cost \$830, \$170 litigation tax on a motorized wheelchair.

Tonsillectomy—let us pick out two more health care items here—doctor's fee, average retail price \$578, true cost \$387, a litigation tax of \$191. So of the doctor's fee on a tonsillectomy of \$578, \$191 goes to the lawyers, the litigation tax.

Let us look at a 2-day maternity stay: \$3,367, for 2 days in the hospital, but, Mr. President, the real cost is only \$2,867. A \$500 lawyer's tax, litigation tax of \$500 on a 2-day maternity stay.

Mr. President, that illustrates the nature of the problem today. Certainly, what we need in this country are a few more causes of action. Certainly, what we need in this country to be more productive is a little more litigation. If

you think America has a problem because it has too few lawyers, you are going to love the Clinton-Mitchell bill, a boondoggle for lawyers if one ever existed.

Looking at the Clinton-Mitchell bill, section 1602 of the bill—now we cannot be sure that the current version of the bill lists this provision as section 1602 because there have been several different versions floating around here the last few days. It could be that the reason for all these different versions is to show America how efficient health care is going to be after it has been redesigned by Congress and run by the Government.

Anyway, this provision, if it is still called section 1602, adds a number of new protected categories to the traditional discrimination classifications of race, sex, national origin, religion, age and disability. Those are the traditional categories, but we have some new ones here.

The result is that a person could bring a lawsuit against his or her employer, or against a health plan or provider, or even against a State, alleging discrimination on any of the following additional bases.

We just outlined the litigation tax today on a number of different products, many of them health-care related. But under the Clinton-Mitchell bill, there will be new causes of action possible in the following categories: a plaintiff could allege discrimination based on language, based on income; based on sexual orientation; based on health status; or alleging discrimination based on anticipated need for health services.

Counting these up, that is five new causes of action right there alone, Mr. President, five new causes of action.

The lawyers are out there licking their chops right now just thinking about the potential. As I said, it is not going to be one, but it is going to be two BMW's per garage for every plaintiff's lawyer in America. And, of course, the Clinton-Mitchell bill gives access to any court, any court Federal or State, for anyone to bring a lawsuit alleging discrimination.

Now, there is no doubt that every employment decision in America will be affected by this provision. In that regard, section 1602 is really a civil rights provision, and we should not be using health care reform to change well-established civil rights laws.

Although this bill radically changes discrimination laws in a way that will generate a lawyer's feeding frenzy, there is one large area of the law where the Mitchell bill quite literally turns the clock back, and that is medical malpractice.

In the last several years, there has been enormous progress among the States in ensuring fair compensation to victims of medical malpractice, while at the same time curbing the ex-

cesses of malpractice litigation, which we all end up paying for.

This bill guts those important reforms. It turns back the clock on malpractice reform by preempting State law and effectively repealing the work of over 20 States to get health care costs under control.

This is unacceptable, Mr. President. It is antireform, and it must be reversed.

I have heard for many years opponents of any kind of tort reform at the Federal level say that it ought to be left to the States, suggesting that the States should be free to pursue this area if they chose on a State-by-State basis, but this takes that away, Mr. President. It takes away that innovation and says you cannot legislate in this area any longer.

Instead of doing this, Mr. President, we need to build upon what the States are doing, not turn back the clock on their progress. For example, we should abolish the collateral source rule to stop wasteful double recovery. We need controls on sky-high punitive damages. We need to modify joint and several liabilities so that those who are responsible for the harm pay their fair share.

Mr. President, I am sure that every Senator wants injured patients to be fully and fairly compensated for the harm they suffer. That is not in debate. We all want a system to deter negligence, and we all want the few incompetent health care providers that exist to be held accountable. But the bill before us merely perpetuates and even spreads the worst in the current malpractice system. Clearly, we can do better than that.

That brings me to my final point about how we ought to go about health care reform. My view is we should be focusing how to fix our current problems and how to reduce costs, not how to expand Government control and bureaucratic interference.

As I said at the outset, our system is the best in the world because of its reliance on private sector competition and market driven innovation. The Clinton-Mitchell bill, on the other hand, will move American health care in the exact opposite direction. It will create a system where bureaucrats, politicians, and lawyers have more authority over health care than doctors, nurses, and researchers—let alone the patients. As government control expands under the Clinton-Mitchell bill, the incentive—as well as the power—to cut costs, improve care, find new medicines, and treat patients in a personal manner will decrease by inverse proportion.

We just need to look across our northern border, or over the Atlantic to our European neighbors, to see the effects of Government-run health care. These results are not something I believe our country wants to emulate. Citizens are often taxed at 50 percent

or more of their income. Structural unemployment persists at 10 and 12 percent. There are waiting lines for medical services, and there is rationing of the use of medical technology that can detect diseases and save lives.

We have all heard these numbers and facts, but let me put a human face on the results we can expect from a Government-run health care system on living, breathing people:

A young woman from Scottsville, KY, the daughter of a friend of mine, was spending a semester abroad studying in London England, this past winter. Unfortunately, she awoke in the middle of the night with excruciating abdominal pains. She went to the hospital, was given medication, and at the time was very impressed that everything was free. However, her condition deteriorated; so she went to a local health clinic 2 days later. She was examined by a doctor whom she described as overworked and preoccupied with other problems. This doctor gave her more medication, but still her condition deteriorated.

Waking in the middle of the night with a fever, chest pain and labored breathing, she decided to use the house call service which the National Health Service requires of all its doctors. Despite the house call, she became more and more ill, and decided the next morning to return to the second doctor she had seen. By this time, her very worried father had contacted my office to ask whether we could be of any assistance.

My office contacted the United States Embassy and obtained a list of several private doctors for the family to call. The young woman quickly made an appointment with one of these physicians, who soon diagnosed the cause of her illness and treated her properly.

Let me read an excerpt from a letter which this young woman sent me afterward—because I think she speaks very well to the issues we must resolve in this debate. That is what she had to say:

Senator McCONNELL, I always thought it might be a good idea to have free medical coverage for all citizens. And in an ideal world, it could be. But the reality is that socialized medicine is not successful. It leads to crowded clinics and hospitals, with overworked and underpaid physicians and staff who cannot spend enough time with any one patient. Yes, I eventually did find a good doctor, but I had to pay much more for him than I would have in the U.S.. My experience has led me to the conclusion that socialized medicine, if adopted by [our country], will result in a society of doctors who do not have the time, money, or interest to spend enough time with their patients.

I also heard recently from the president of a hospital in London, England, who shared his perspective on our struggle over health care reform. We would do well to listen to this voice of sober experience. He writes:

If a plan passes that has a global budget, or contains price controls, a National Health Service-style health care system will eventually evolve in the United States. I, for one, would not like any member of my family being told that they cannot get a service, or will have to be put on a waiting list stretching more than a year because of lack of resources. The market . . . has shown time and time again that it is far better at determining prices and directing capital to where it is needed. The government's record is abysmal in this regard.

Those are just two glimpses of how government-run health care has fared in other countries. Unfortunately, examples of the disastrous consequences of government-run health care can be found right here in America, too.

As most of us are painfully aware, the Federal Government operates its own medical care system for our Nation's veterans, through the Veterans Administration. I say painfully aware, because many of us in this body devote a lot of time and energy on behalf of veterans in our states who simply cannot get the care they need without long waits and pointless bureaucratic hassles.

I remember a few years ago, to give an example, my office was contacted by a Vietnam veteran who had lost his leg in combat. He desperately wanted a replacement leg, so that he could work and enjoy a whole life again—but the VA made him go through one bureaucratic hoop after another. At one point during his ordeal, he heard from some other veterans that my office had a good track record in helping people like him get results from the VA. So he called my office and we went to work.

After a lot of calls and letters back and forth, we eventually got the VA to give this man a replacement leg. In the process, we discovered that one factor in the VA's refusal to help this gentleman was plain-and-simple retribution: The VA saw this patient as a troublemaker, someone who rocked the boat—and for that reason they decided to jerk him around on medical treatment that he needed.

Is that the kind of health care system we want for all Americans? Where faceless bureaucrats can get even with patients who raise too much of a fuss about the health care they are getting—or not getting? And as much as I was pleased to help this veteran and all the other veterans who call me, do we really want to create a health care system where you need to have a U.S. Senator get involved before you can get the medical care you need?

Imagine that. Every American, in this new world brought to us by the National Health Benefits Board, has to call his Senator to get his or her Senator to intervene with the Government to get the care that is needed.

Let me give you another example of what I'm talking about. I recently heard from another veteran in Madisonville, KY, who had contacted the

VA office in Louisville to request a medical examination for back pains that he was experiencing due to an injury he had suffered on duty. The VA told him that he could not simply make the request over the phone; he had to put it in writing.

So the gentleman wrote a letter, and one month later, he still had not received a response. So he called again and the VA told him to wait for 30 more days. A month and a half later, he still had not heard. Of course, his back was causing him intense pain throughout this entire ordeal. So as a last resort, he contacted my office and now we are working to help this man schedule an appointment for an examination.

He is just trying to get an appointment for an examination and he is in intense, excruciating pain—brought to you by Government medicine.

Is that where health care in America is headed? When you want an appointment, will you be able to just call your doctor—or will you need to wait for months on end and then, in desperation, call in your U.S. Senator.

The kind of shoddy treatment I have been describing is happening in this country today to our veterans—men and women who are courageously serving our Nation. Yet they wait over 2 months to hear about a request for an appointment.

This is the kind of garbage that is going on today—in America—in a Government-run health care system. Long waits. Faceless bureaucracy. Retribution against patients who dare to complain. So I would say, Mr. President, if we really want to pass meaningful health care legislation this year, we ought to try to reform the VA health care system. That would be a good place to start, rather than spread it to the rest of the country.

I can hear the proponents of this legislation protesting that I am comparing apples and oranges; that the VA is really a single-payer system, whereas their bill makes everybody pay through the nose.

The problem with this legislation is not just who pays and how much they have to pay, but who regulates. This bill gives unprecedented, plenary powers of regulation to the Federal Government. Unprecedented.

If it becomes law, the Government will effectively control every single important facet of our health care system. Directly or indirectly, it will regulate the financing of health care decisions about benefits, costs of policies and reimbursement rates for all medical services.

Under this legislation, the Federal Government will even decide whether a physician may enter a particular specialty and which geographic areas should be entitled to certain kinds of health care providers. So make no mistake, this may not be a single-payer

bill, but it is without question a single-regulator bill—a single-regulator bill—and the end result is likely to be just as disastrous.

We can reform our health care system without giving the Government monopolistic control over one-seventh of the economy and over a very important and extremely personal part of each of our lives.

We can reform health care and actually make it better instead of less responsive, more expensive and more bureaucratic. We could, for example, make some simple changes in the way health insurance is marketed—to improve access and guarantee that coverage is portable and renewable. We could restrict the practice of exclusion from preexisting conditions and limit the ability of insurers to drop policy holders like a hot potato after they incur some costly illness or accident.

We could reduce health care costs enormously in four easy steps: enact meaningful medical malpractice reform; create private sector purchasing alliances that are truly voluntary; simplify administrative procedures; and allow the market to eliminate services that consumers, rather than bureaucrats, do not want.

We can help family farmers and others who are self-employed by letting them deduct 100 percent, not 50, but 100 percent of their health insurance costs. All of the measures I have described, as we all know at this point, are in the Dole-Packwood bill. They almost certainly are supported by the vast majority of Americans.

Yet, we are debating today a bill that is largely despised—despised—if not feared by most of those we represent. They hate it. We know that because they are calling our offices and we see the polls. So we ought to stop listening to the special interests, stop listening to the White House political shop, stop listening to the party bosses, and start listening to the calls we are getting from home, listen to the voters, listen to the families in our States.

They are telling us by an overwhelming majority that they do not want this bill. They do not want a Government takeover of their health care system, whether it be single payer or single regulator or whatever. They want control of the health care decisions that affect them, and they do not want to give that control away to a faceless, passionless bureaucracy in Washington.

So we better listen to our constituents' views on health care now or we will certainly hear from them loud and clear in November.

Let us pass a bill that brings real reform to health care without letting Big Brother in the door.

So where does that leave the bill before us? We will need to diagnose it first to answer that question.

First of all, we observe that the bill is plainly overweight. One could even

say obese. In fact, the bill suffers from legis-sclerosis, a condition which is caused by unhealthy levels of bureau-cholesterol. It also shows symptoms of "Clintonitis," such as swollen entitlements and acute taxation.

The bill has inflamed constituents, and according to samples that have been taken very recently, it appears to have a dangerously low vote-count.

Evidently, the attending Senate Democratic physician has attempted to treat the patient with heavy doses of "mandatol" with its predictable side effects of impaired autonomy and severe economic contractions.

The other drug which is being administered liberally is "spenditol," which as we all know, merely aggravates the patient's fiscal deficit disorder.

So what course of treatment should we prescribe for this ailing piece of legislation? First, we should note that its intended beneficiaries, the American public, have hung a large sign on the bill which reads: "Do not resuscitate."

That being the case, the first thing we should do with this bill is put it on a strict diet. We need to reduce the intake of bureau-cholesterol, cut out all the administrative fat, and help it shed some of its socialized cellulite. If that does not work, we may need to consider major surgery: a "mandatectomy," for example. Otherwise, this flabby bill is going to keel over under its own weight.

Mr. President, I yield the floor.

#### ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate vote on or in relation to Senator DODD's amendment No. 2561 at 6:30 p.m. this evening with the time prior to that vote equally divided in the usual form, and that no amendments be in order to Senator DODD's amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, the time will be equally under the control of the Senator from New York and the Senator from Oregon.

Mr. PACKWOOD. That gives us about 7 minutes apiece roughly.

Mr. MOYNIHAN. It means the Senator had better hurry.

Mr. PACKWOOD. I yield 3 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas [Mrs. KASSEBAUM] is recognized.

Mrs. KASSEBAUM. Mr. President, I rise to discuss for a few moments the amendment put forward by the Senator from Connecticut [Mr. DODD].

It is hard to argue against this amendment because who here does not want to offer what health services we can to pregnant women and to children? No one has been more committed to this issue than the Senator from Connecticut.

But, as my colleagues know, women's and children's benefits are included in

the standard benefits package. Under the Mitchell bill, all insurers would be required to offer such benefits beginning in 1997. The Dodd amendment would speed up required coverage for prenatal and well-baby care. Given the poor health status of many of our Nation's children and the high infant mortality rates in many areas of the country, it is difficult at first glance to oppose the amendment.

However, this amendment, I would suggest, goes to the core of the question of who should design and arbitrate benefits package issues? Should it be Congress? We have found it impossible to do that in any reasonable or measured way. The Senator from Minnesota [Mr. DURENBERGER] made an eloquent statement last evening regarding the endless controversies we invite when Congress attempts to define the specific benefits to be offered. Not only can Members of Congress never say "no" to any particular benefit, but we also quickly find ourselves in a situation where new technologies and procedures can render our decisions obsolete.

I am concerned that the Dodd amendment will be just a preview of the future congressional tinkering with and expansion of the benefits package. I have serious reservations about this precedent, Mr. President. Where does it end? Should we move up earlier mammograms to the front of the line? Should we move up prostate cancer screening to the front of the line? There are serious health concerns in preventive medicine that we should consider. Do they not deserve priority as well?

I support a standard benefits package. But that is not what this debate is about. This debate is just the beginning of a process Congress is ill-suited to handle.

Like many others, I have advocated that an independent, nonpolitical commission should be responsible for designing a benefits package which makes sense and which we can afford.

On the surface, the Dodd amendment has enormous appeal. We cannot, however, risk having that appeal blind us to the precedent it sets and the serious questions that remain regarding how a benefits package should be shaped.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MOYNIHAN. I yield 1 minute to the distinguished Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. KENNEDY] is recognized.

Mr. KENNEDY. Mr. President, I was particularly interested in the comments by my good friend from Kansas, since Kansas was the second State to have legislation that was similar to that which we are considering this evening and was a real leader in terms of children's issues.

Mr. President, I have just two thoughts. This is an important moment for the children of America. Under the leadership of the Senator from Connecticut and others, we start this great debate on national health putting children first, those that are the most vulnerable who have been left out and left behind. That is point No. 1.

Second, Mr. President, this is a good moment for the American people, for at last we are beginning the serious process of the serious debate on national health insurance. It is appropriate that children are first, and it is appropriate that we begin this debate with meaningful votes on the direction that we are going to take on health care for all Americans.

I yield.

Mr. PACKWOOD. I yield 2 minutes to the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I agree with my colleague from Kansas and my colleague from Massachusetts, if that is possible. I think we are debating what is best for women and children in this country.

I regret that I made this argument last night at an hour which probably was not available to a lot of people. But I think the argument is fairly basic. Is the best care, both prenatal care and well-baby care, that which is determined by the doctor and the health plan in conjunction with the doctor, the obstetrician or the pediatrician? Or is it going to be determined by the Secretary of HHS? I do not have a problem with the first part of this amendment because it is basically what has been debated and argued here in the last 3 or 4 days. And that is that we ought to cover clinical preventive services, including prenatal care, well-baby care, immunizations for pregnant women and children. We all agree on that. The problem for me is when you direct the Secretary of HHS by July of next year to have come up with a schedule of the routine services that are going to be required in every single health plan in America for every single child and every single mom in America.

They talk about the Academy of Pediatrics. I tell you, the Academy of Pediatrics will tell you it depends on the family history of the child, on whether there is a history of disease, it depends upon some of the cultural background, and it depends on a whole lot of factors as to what is the best care in a particular case. There is no way that the Secretary of HHS is going to be able to promulgate by regulation what service is the most appropriate in a given case for every kid. You cannot have one standard for every pregnancy and every child in America.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MOYNIHAN. On our time, I would like to state that New York is

one of the States which already has the provisions of the Dodd amendment, and they should be available to all Americans in every State.

I yield 1 minute to the undaunted champion from Pennsylvania [Senator WOFFORD].

Mr. WOFFORD. Mr. President, Senator DODD worked with women and children in the Dominican Republic in the Peace Corps, and it is very fitting that he has carried that work forward to the American people and American children and American women sooner rather than later. That is the lesson of this amendment. Let us not be proud of dragging this process out into the next century. Let us be proud of how we find the ways and means to give health security and preventive health care to children sooner rather than later.

This amendment was not so complicated. We were able to get to work on it. It is a page and a half. Implemented not later than July 1, 1995. Harry Truman, who started this fight, would be proud of us. Remember his words:

Where there are differences remaining as to the details of the program, we should not permit these differences to stand in the way of our going forward. They should be thrashed out with honesty and tolerance, as is our democratic fashion. We should enact the best possible program and then all of us should get behind it and make it work.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. PACKWOOD. I yield 2 minutes to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, first, I want to congratulate the Senator from Minnesota. I share his sentiments. What are we trying to do here? The goal is to cover all of these services in the uniform benefit package that we are going to come up with. I do not think we want to be so specific that what is put into regulation then has to be changed in the following year.

I suppose the proponent of the amendment would say that this is just for during the interim period. This will come out by July of 1995. But we all know that once we start down that track, once the Secretary of HHS comes out with this very detailed schedule—and everybody is familiar with this, and I presume it has been read before—she shall establish a schedule of periodicity that reflects—and so forth and so on. This is just the path I do not think we want to go in. To me, it is reminiscent of Medicare. In Medicare we have every possible contingency covered by regulation, and it is chaotic. I have had a hand in all of that. I think I mentioned in the remarks I made the other evening that you find the bizarre situation of Senator CHAFEE and Congressman PETE STARK, both in part of the conference on Medicare at 2 a.m. in the morning deciding in some remote part of this Capitol who will get paid for reading an

EKG. I am totally—and I might speak for Representative STARK in the same manner—incompetent to do that. We were beyond our realm on that. That is not in our job description.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CHAFEE. Mr. President, I just want to say that these are decisions that should be made by doctors, and the plan, and by individuals, and not by the Secretary of HHS.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. How much time do we have left?

The PRESIDING OFFICER. There are 21 seconds remaining.

Mr. MOYNIHAN. I yield 42 seconds to the gallant and learned Senator from Connecticut [Mr. DODD].

Mr. DODD. If you keep talking like that, I would ask you to come to Connecticut and say those words.

Let me just say how pleased I am, Mr. President, that at long last we are finally going to have a vote on this proposal.

Let me repeat for the benefit of my colleagues what the amendment does. It is very simple. It merely says that all private insurance policies—private insurance policies—must include coverage for preventive care for pregnant women, children, and infants as of next July, to expedite and accelerate that coverage. It creates no new Government bureaucracy. It builds on our current system of private insurance to make certain that we start giving our children a good start right away.

Why is this so important? Why is it important to start providing these benefits earlier? I think the facts and statistics, Mr. President, speak for themselves. Every time that a low-birthweight delivery is prevented, it saves between \$20,000 and \$50,000. Every time a very low-birthweight delivery is prevented, it saves approximately \$150,000. Not much more needs to be said.

Clearly, if we can accelerate the coverage of these children by a year and a half or 2 years, we will eliminate significant future costs. We mandate well child care already in 22 States. The Senator from New York pointed out that his State has had this type of program for some time. The first State was Wisconsin and the second, Kansas. These programs were started under Republican Governors. I might add, that insisted that we reach out to children as quickly as possible.

There is a legitimate debate about individual proposals to deal with the benefit package, but I think there ought to be some consensus here about children and pregnant women, that it is in our collective interest to see that we do everything to prevent—not treat but prevent—these problems from occurring.

If we can prevent these health problems from occurring, more promptly

and earlier, we all win and all gain. Therefore, Mr. President, I think this amendment is critically important. Of course, I think all of us agree that we must figure out a way to reach the 12 million uninsured children.

I want to stress that this amendment does not create any new Government organization. It is all done under private carriers. HMO programs in this country require this, and have insisted upon it, to their credit.

I believe that Republicans and Democrats, on the very first issue addressed in this body on national health care reform, on the issue of pregnant women and children, ought to be able to come together. We may divide in the days ahead on the issue of mandates, and alliances, and cooperatives and whatever. But on children and pregnant women, let us say to the American people tonight that as far as those citizens are concerned, we unite and stand together to see to it that they will at least get the basic kinds of health care coverage that they deserve and need to make this a stronger and healthier and better Nation.

Mrs. HUTCHISON. Mr. President, I rise to oppose the Dodd amendment. This amendment would have the effect of changing insurance laws throughout America, starting immediately, preempting State laws and requiring every person to take this coverage regardless of whether or not they will have children in their families. It is a mandate on people to take a standard benefits package whether they need it or not. This takes away the freedom of choice, and the cost requirements are a tax which will have to be borne by each individual and his or her employer. This is what is wrong with a standard benefits package mandated by the U.S. Congress, and why I do not support it in the Mitchell bill.

Mr. THURMOND. Mr. President, before beginning my statement on this bill, I wish to acknowledge the efforts by the President and Mrs. Clinton to focus the Nation's attention on the need for health care reform. While they have worked very hard to reach this point, I cannot support the far-reaching plan which we are now considering. Hopefully, during debate on this issue, we can agree on reforms which will improve our health care system without burdening our society and economy.

We all agree that our health care system needs repairing. Our primary goal should be fixing the current system without losing the advantages of choice and quality coverage we presently enjoy. We must not forget that the American health care system is the envy of the world. Foreign leaders and dignitaries come here for treatment because their own systems simply do not provide the same quality and advanced care.

Last year the United States spent approximately \$900 billion on health care.

This is 14 percent of our gross national product. Obviously, any reform in health care will have a large impact on our economy. However, it is our responsibility to assure Americans that any reform will benefit the finest quality health care system in the world.

Mr. President, I believe the best starting point for health care reform is prevention. If Americans have ample information and incentives concerning preventive health care, many of the health care problems can be avoided. Proper diet, reasonable exercise, self-discipline, and an optimistic attitude toward life promote health. It stands to reason that such sensible measures are cheaper and cause less suffering than curative medicine.

Prevention programs are especially needed in the maternal and child health fields. The lack of prenatal care causes thousands of easily avoidable birth defects each year. For example, many women who smoke do not realize that smoking during pregnancy may contribute to low-weight births. Also, many Americans do not know that the use of alcohol or drugs during pregnancy may result in a child with fetal alcohol syndrome or addiction. Simply providing obstetrical and gynecological services can prevent these and other infant health problems.

We can save an immeasurable amount of suffering if we simply promote and practice preventive health care, starting with prenatal health and continuing throughout the life of a child.

Prevention programs are also needed in the areas of substance abuse and mental health. As you know, the cost to our Nation caused by substance abuse and mental illness are tremendous. In 1990, Americans spent \$314 billion on health and social problems created by drugs, alcohol, and mental disorders—\$100 billion more than the cost of AIDS and cancer combined. We pay not only in medical care costs, but also in a rising crime rate; an overburdened social welfare system; productivity losses; premature deaths; and emotional suffering that cannot be measured.

The importance of helping those who suffer from addictive and mental disorders is evident. Studies have shown that treatment programs can reduce the enormous social and economic costs of these disorders. For example, half of the patients receiving treatment for schizophrenia, either completely recover or can function with minimal support; thereby cutting rehospitalization rates, preventing homelessness, and improving employment outcomes for those patients.

Mr. President, for every dollar spent on treating someone with substance abuse problems, \$11.54 is saved in social costs. For example, the estimated 10 million alcoholics in this country spend two times more on health care than those without alcohol problems.

Costs associated with substance abuse are not limited to health care. Addictive and mental disorders have added to our society's greatest problems: crime, joblessness, and welfare. Therefore, we can not ignore the beneficial effects of prevention and treatment.

Mr. President, there are issues on which I believe we can agree. For example, we should not allow the cancellation of health care coverage because of illness, or allow coverage to be denied because of a pre-existing condition. Further, I believe we all agree that coverage should be portable. If individuals lose their jobs or decide to change jobs, they should not fear a reduction in their health care coverage, nor that they may lose it entirely.

I am pleased that there is some common ground in these areas. Unfortunately, this legislation reaches far beyond these common issues. It creates one of the greatest social spending programs in history. It also creates one of the greatest intrusions into the rights of the States and the rights of individuals.

No one wants to be denied health care when it is needed. However, there are distinct and subtle differences between what is called universal coverage and universal access.

Universal coverage essentially means that the Government will run our health care system. Everyone may have coverage, but at what price? Some of the looming prices include less quality, less access to needed services, less freedom, more government, and more taxes.

Universal access means that a person cannot be denied coverage because of a preexisting condition or on the basis of employment or wealth. It is founded on personal responsibility which means it is not a free ride.

Many Americans are disgusted with the free ride welfare system in place today. Is it because people do not want to help their fellow Americans? I doubt it. We prove time and time again that we are the most generous Nation on Earth. Americans traditionally come to the aid of those in need. Everyone recognizes that some help is needed every now and again. However, people are willing to give someone a hand-up but not a hand-out. That is why people are upset with welfare—it is a handout. It is a self-perpetuating cycle of dependency. The American people are tired of hearing that their hard earned income goes to some wasteful and inefficient program.

Yes, there are problems with our current health system, but they will only be made worse if this plan is enacted in its current form.

I have a number of specific concerns surrounding the Clinton-Mitchell bill. My first concern is the issue of the guaranteed basis benefits package.

The Clinton-Mitchell bill would entitle all Americans to a package of guar-

anteed national health benefits. This guaranteed benefits package includes mental health services, substance-abuse treatment, and some dental and clinical preventive services. The mandatory package includes not only major medical services, but also incorporates routine eye and ear examinations and even elective abortion services.

The Clinton-Mitchell bill would require every health plan to provide this standardized package of health care benefits. This requirement will take away the consumer's ability to choose benefits. Moreover, as the Government aggressively promotes managed care, the ability of doctors to treat patients according to their independent professional judgment will be severely circumscribed. These limitations will make it difficult for Americans to take advantage of new or specialized medical services.

The National Health Board will set national guidelines for determining which treatments can be provided or upgraded, which treatments are medically necessary, and even how often approved treatments or tests can be conducted. New benefits, including new treatments, medical procedures, or devices used in the treatment, prevention, or cure of disease will have to be approved by the National Health Board, or Congress, before they can be covered in a basic benefit package.

New benefits will be approved slowly and with great difficulty. I am concerned that there will be extended bureaucratic delays and major political debates surrounding any attempt to alter benefits. For medical specialty groups, or groups afflicted with particular medical conditions, the National Health Board and, inevitably, Congress will become the central focus of intense lobbying over the addition or subtraction of medical benefits, further politicizing the health care system.

I believe we can avoid these problems by allowing consumers their own choice of doctor and health care plan. We can do this by ensuring portable, universal access to health care, regardless of pre-existing conditions and without mandating specific benefits.

Another area of concern is the treatment of the system for graduate medical education. I agree that we have a shortage of primary care physicians and providers in America. Many people are concerned that there are too many physicians, that our distribution of specialists is poor, and that there is no government control on training programs. However, we have the best health care system in the world. I believe that is due in part to the fact that we allow our students and medical professional to choose their fields of endeavor and to pursue their careers without interference.

Unfortunately, this legislation will directly interfere with the career

choices our students will make. This legislation directs that National Council on Graduate Medical Education to decide how to cap the physician supply by not allowing students to enter a nonprimary health care training program. This commission will define the goals for specialty mix, the number of residency training positions, and where residency programs will exist.

This legislation dictates that the national council shall ensure that 55 percent of the students in primary care programs will pass. I am concerned that this will lessen the quality of the education received by these students.

I believe we are approaching the shortage of primary care providers from the wrong angle. We should be encouraging our students to pursue careers in primary care. We should not limit the number of positions available in specialized areas.

Mr. President, a third area of concern is the expansion of prescription drug coverage, and the potential for price caps and shortages in this area. There is no question that all Americans need access to affordable prescription drugs. Unfortunately, too many Americans are supporting this plan because they believe it will expand their drug coverage.

They must think this through. At what cost will drug coverage be "expanded"? Some of the costs will surely be: Reduced research, reduced choice of medications—many of our senior citizens prefer to use certain products—premium caps, shortages in drug supply, and taxes.

Mandated Government price controls or price review boards would penalize pharmaceutical research, and eventually drive companies out of the industry. Recent studies of the pharmaceutical industry indicate that the free market, along with strong safeguards to ensure quality help, contains price increases.

As you know, in 1993, the pharmaceutical industry spent an estimated \$12.6 billion on research and development. The Office of Technology Assessment estimates that in 1990 the average cost of research and development for each new drug marketed in the United States was \$359 million.

The best hope for treatment and possible cures for many of the health problems we face today is in the area of pharmaceutical and biotechnology advances. If we try to establish price discipline, we will see a decrease in pharmaceutical research and development, and fewer pharmaceutical and biotechnology breakthroughs.

I am also concerned that the Workers' Compensation Program has been included in this legislation. The proponents of this legislation will argue that it is only establishing a system of data collection and a commission to study whether workers' compensation should be incorporated into health care

reform. This is true for the Senate version of this legislation. Unfortunately, it is fully incorporated in the House version. My concern is that the Senate version will be dropped before the conference even begins.

Let me address my reasons for this concern.

As you know, workers' compensation was created over 80 years ago and is the result of a common compact between business and labor. If a worker is injured on the job, the financial burden of an industrial accident is shifted away from the injured worker and charged to the employer. All of an injured worker's medical expenses are covered, and the work-related disability payments are made until the worker returns to the job. In addition, workers' compensation insurers attempt to manage treatment and rehabilitation in order to minimize an injured worker's loss of earning capacity and/or physical function. In return, the injured worker agrees not to sue his or her employer to receive compensation for the injury.

The House's inclusion of workers' compensation in this legislation will jeopardize the current freedom and flexibility of States to experiment with new ideas and approaches to improve the system. A number of States have had recent successes controlling the growth of workers' compensation costs. In the last few years, Massachusetts, Florida, Oregon, New Mexico, and Washington have all undergone efforts to reform workers' compensation. Dozens of workers' compensation legislative proposals are also pending in various State legislatures. Each State has taken a different approach in its reform, and we should not impede this progress.

Mr. President, the goal of workers' compensation is simple: Get an injured worker back to work and normalcy as soon as possible. Much of the success in achieving that goal is due to the fact that insurers and employers who foot the bill for medical care should continue to have significant decision-making authority. The House version will prevent the employer and the State workers' compensation agency from questioning whether appropriate medical treatment is being received. Employers and insurers are concerned about separating the responsibility for medical management from the financial responsibility for cash benefits, and losing control over the medical portion of the workers' compensation premium which amounts to approximately \$24 billion a year.

Inclusion of workers' compensation would also eliminate the benefit of experience rating. Experience rating encourages employers to directly influence their premiums by implementing workplace safety programs to reduce the number of accidents among their employees. The integration of workers'

compensation would seriously and adversely affect employer safety incentives by moving workers' compensation from an experience-rated to a community-rated system, and the public would bear the cost of an employer's unsafe workplace.

I believe the workers' compensation system is unique in its mission and its approach. I also believe that including it in this reform package would be a mistake. Workers' compensation has always been a successfully State-managed system, and I believe it should remain with the States.

Another concern I have with this bill is the inclusion of the antidiscrimination provisions. Under current law, employers, schools, and places of public accommodation are not allowed to discriminate on the basis of race, sex, age, national origin, religion, or disability. The Clinton/Mitchell bill would add five new categories that have never been considered as protected groups under our civil rights laws. They include: Language, income, sexual orientation, health status or anticipated need for health services.

This language is simply not needed to ensure that there is no discrimination. Section 1002 clearly establishes that all health plans shall "accept all eligible individuals for coverage." There is no room for discrimination in this section.

I believe our employers, health plans, States, and other entities will be exposed to unlimited damages and lawsuits that will further raise the cost of health care and further overwhelm our judicial system.

This is an unprecedented expansion of law. We do not know how broad these new categories are. We also do not know what effect this new expansion will have on our employment policies. Therefore, we must question why these new categories have been included.

Mr. President, as the ranking member of the Senate Judiciary Subcommittee on Antitrust, Monopolies and Business Rights, I have two additional concerns that relate to the antitrust laws.

First, I oppose the attempt in this legislation to repeal the McCarran-Ferguson Act for the provision of health benefits by insurers. This repeal would be bad for both competition and consumers and would interfere with State control over the regulation of insurance.

The repeal applies to "health benefits," which might appear quite narrow, but in fact encompasses many lines of insurance. The term is far broader than mere health insurance, and could cover workers' compensation, homeowners, auto, medical malpractice, and general liability insurance.

Any repeal of McCarran-Ferguson will inevitably lead to a decrease in

competition rather than the increase proponents claim. The insurance industry is now highly competitive with thousands of firms competing for business. Without the ability to engage in certain joint activities, especially sharing of information, many of the smaller companies may go out of business and competition will be diminished.

If McCarran-Ferguson is repealed, I believe it would only be a matter of time before Federal regulation crept in. Federal regulation is generally cumbersome, slow, and unresponsive to local and individual needs, while the State regulation encouraged by McCarran-Ferguson is better suited to the needs and interests of the consumer and the industry. The net effect of McCarran-Ferguson repeal in this legislation is that consumer welfare will not be enhanced. The uncertainties associated with such a change will likely decrease competition as regulation increases, to the detriment of the consumer and the marketplace.

My other antitrust concern is that this legislation makes no attempt to address the many uncertainties of the antitrust laws, which are worsened by health care consolidation under this legislation. Last November, Senator HATCH and I introduced the Health Care Antitrust Improvements Act to establish a framework for adjusting the antitrust laws to health care reform. We have recently modified our proposals to address concerns which had been raised, but continue to pursue the key goal of clarifying how the antitrust laws apply in the health care industry. The purpose is to save money and improve quality in health care, not for the benefit of providers, but for the ultimate benefit of patients and those who pay the bills.

Saving money through lower antitrust costs is achieved by greater antitrust certainty so that fewer questionable cases are brought, by giving more responsibility to the Federal antitrust agencies to determine what conduct is desirable and what is not, and by focusing antitrust enforcement on the areas that truly need it rather than on areas that generally do not.

Quality is improved by removing unnecessary and artificial antitrust barriers that prevent medical providers from organizing themselves to achieve the combinations which can deliver the highest quality of care. The antitrust laws currently chill much desirable conduct by medical providers. This has a negative effect on quality but can be avoided by greater certainty about the applicability of the antitrust laws in the health care field.

In order to permit desirable activities and organization by health care providers, the Hatch-Thurmond provisions direct the Justice Department to develop safe harbors for specific categories of conduct which need not be

subject to the antitrust laws. Because of the difficulty in determining where to draw the lines in changing markets, the Attorney General is authorized to review applications and issue antitrust waiver covering individual situations. In addition, our provisions permit health care joint ventures to be disclosed to the Attorney General in exchange for single damages, following the pattern of the production joint venture bill that passed the Congress and was signed into law last year. These provisions establish a framework for adjusting the antitrust laws to changing health care markets, to achieve the ultimate goal of more efficient, higher quality medical services at reasonable prices for the benefit of all Americans.

Finally, Mr. President, perhaps the most pressing issue is that of the mandates included in this bill. This legislation will require each State to submit a health care reform plan to the National Health Board detailing how the State will comply with the Federal rules and regulations established by the Board. The States will have to demonstrate to the Board how they will certify health plans, administer subsidies for individuals and small employers, collect data on health plan performance, and meet Federal quality and management requirements.

There are at least 50 new mandated bureaucracies created under this legislation. I believe the American people can do without more bureaucracy.

Also contained in this legislation are 17 new federally mandated taxes. When you tax someone it means less money in that person's pocket. It means that person has less freedom to do what they wish with their hard-earned income. It often means that person must also try to get by with less money to pay for food on the table, diapers for the baby, the utility bills, or any other necessary expenses.

Mr. President, this legislation sets the goal of coverage at 95 percent. If that goal is not reached, an employer mandate is triggered that requires the employer to pay 50 percent of the costs of an employee's health plan.

The employer mandate imposes additional labor costs on our economy, and when businesses are faced with an increase in labor costs they first look to the employee to make up the difference. This will take the form of lower wages, fewer benefits, and job loss.

What small business is going to want to hire another employee when they are facing a 50-percent tax on health care? That is what it is. It is a tax business. You can call it shared responsibility or employer contribution, but the simple fact is that the Federal Government is directing the private sector to spend its money in a particular way. That is a tax.

Webster's Dictionary includes among its definition of the word tax "to im-

pose a burden on; put a strain on". The employer mandate places an enormous burden on the individuals and businesses of this great Nation.

According to a preliminary study done by the Heritage Foundation, businesses in South Carolina may suffer an additional \$806 million a year in additional taxes. That is \$806 million that will not go toward creating new jobs or to support existing jobs.

The people of my State do not want a federally imposed employer mandate. The American people do not want an employer mandate. They know it is not good for business and, in the long run, it is not good for the economy.

Many of the proponents will advocate that this trigger will only happen if the reformed free market fails. These advocates say they are going to give business a chance. That is like tying my hands behind my back and asking me to box 15 rounds with Mohammed Ali.

The result is obvious. The system is designed to fail; and the trigger will be pulled. Even in the highly touted Hawaiian system—with employer mandates—coverage has only reached 94 percent.

This trigger is on a gun placed at the head of American business entrepreneurs and Americans themselves.

Mr. President, the Charleston Post and Courier, a local newspaper in South Carolina, recently reported the results of a poll taken by Mason Dixon Political/Media Research, Inc. When asked, "what issue will be most important to you when deciding how to vote in the congressional race?" only 7 percent responded "health care." Twenty-six percent responded that taxes and government spending were most important to them, followed by crime and drugs with 24 percent, education with 14 percent, and employment with 8 percent. Health care was fifth on the list, barely out-polling deficit reduction.

The results of this poll are telling. The American people want health care reform done for the right reasons, not for political gains. Also, based on thousands of handwritten constituent letters and phone calls, I know the people of South Carolina do not want this legislation. The people of my home State do not want bureaucrats in Washington, DC, making decisions on the best way to treat patients in Allendale, Walterboro, Pomaria, Taylors, and the other towns and communities in South Carolina.

It is our responsibility to the American public to ensure that health care reform will be truly beneficial and not harmful to the finest quality health care system in the world. I urge my colleagues to oppose this legislation and work for real health care reform that works and not for another government entitlement program.

Mr. DODD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

The floor leader controls 1 minute 5 seconds.

Mr. MOYNIHAN. Mr. President, we yield back the remainder of our time.

The PRESIDING OFFICER. The Republican floor manager has 21 seconds.

Mr. PACKWOOD. I yield back the remainder of my time.

The PRESIDING OFFICER. The majority leader.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, there will be no further roll call votes this evening after this vote.

I have discussed the matter with the managers and the distinguished Republican leader and following this vote, I ask unanimous consent that Senator FEINGOLD be recognized to complete his statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Following Senator FEINGOLD's statement, which he had begun prior to this debate and vote and for which I again thank him for his courtesy in permitting an interruption, there will be 2 hours for debate, which will be equally divided and under the control of Senators MOYNIHAN and PACKWOOD, and after those 2 hours the Senate will remain in session for as long as Senators wish to speak but without any specific division of the time. The managers will take care of that. I put that in the form of a unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. BROWN. Mr. President, reserving the right to object, my understanding was I was to have the floor for an opening statement following the Senator from Wisconsin.

Mr. MITCHELL. I made this suggestion as the request of Senator PACKWOOD.

Mr. PACKWOOD. I think we will work this out. We are going back and forth under controlled time, and I will recognize the Senator from Colorado.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, we will be happy to have the Senator from Colorado as the first speaker following the Senator from Wisconsin.

The PRESIDING OFFICER. There is a unanimous-consent request propounded.

Without objection, it is so ordered.

Mr. MITCHELL. Then, Mr. President, on tomorrow Senator PACKWOOD has indicated to me that he or one of his Republican colleagues will have an amendment to offer, which will be the subject of debate and we hope vote tomorrow, although we are not attempting to reach an agreement on time. Senator PACKWOOD has indicated that he hopes to be able to let us see a copy

of that amendment this evening so that we have a chance to review it and be prepared.

With respect to the pending amendment, we provided a copy of that amendment several hours before it was taken up.

I thank colleagues for their cooperation, and I now yield the floor.

#### VOTE ON AMENDMENT NO. 2561

The PRESIDING OFFICER. Pursuant to the unanimous-consent agreement heretofore entered, all time having been yielded back, the question is on agreeing to the amendment of the Senator from Connecticut. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Georgia [Mr. NUNN] and the Senator from Tennessee [Mr. SASSER] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 55, nays 42, as follows:

#### [Rollcall Vote No. 288 Leg.]

##### YEAS—55

Akaka	Feinstein	Mikulski
Baucus	Ford	Mitchell
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boren	Harkin	Murray
Boxer	Heflin	Pell
Bradley	Hollings	Pryor
Breaux	Inouye	Reid
Bryan	Jeffords	Riegle
Bumpers	Johnston	Robb
Byrd	Kennedy	Rockefeller
Campbell	Kerry	Roth
Conrad	Kohl	Sarbanes
Daschle	Lautenberg	Shelby
DeConcini	Leahy	Simon
Dodd	Levin	Wellstone
Dorgan	Lieberman	Wofford
Exon	Mathews	
Feingold	Metzenbaum	

##### NAYS—42

Bennett	Durenberger	Mack
Bond	Faircloth	McCain
Brown	Gorton	McConnell
Burns	Gramm	Murkowski
Chafee	Grassley	Nickles
Coats	Gregg	Packwood
Cochran	Hatch	Pressler
Cohen	Helms	Simpson
Coverdell	Hutchison	Smith
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
Danforth	Kerry	Thurmond
Dole	Lott	Wallop
Domenici	Lugar	Warner

##### NOT VOTING—3

Hatfield	Nunn	Sasser
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So the amendment (No. 2561) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(At the request of Mr. DOLE, the following statement was ordered to be printed at this point in the RECORD:)

• Mr. HATFIELD. Mr. President, today I was necessarily absent for the vote on the Dodd amendment No. 2561. Had I cast my vote, I would have done so in opposition to Senator DODD's amendment because I do not believe the Secretary of Health and Human Services should be designating specific benefits to be provided in health insurance plans. I have always had a strong commitment to preventive efforts, including maternal and child health, and I would hope that any health care reform package we enact will favor these services without the imposition of Federal mandates.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, before turning to the distinguished Senator from Wisconsin, who so courteously allowed us to interrupt him for this rollcall, may I make the point—

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order. The Senator from New York claims the floor.

Mr. MOYNIHAN. May I simply make the point, sir, that we have been on this bill for almost 2 weeks and we have not lost an amendment yet. Thank you.

The PRESIDING OFFICER. With that observation noted, under the previous order the Senator from Wisconsin, Senator FEINGOLD, is recognized.

Mr. FEINGOLD. Thank you, Mr. President. I thank you for all your extremely hard work on this piece of legislation.

Mr. President, I had the opportunity on Sunday morning to see some of the talk shows about the Federal Government and national issues, and I happened to watch the McLaughlin Group.

One of the panelists on the McLaughlin Group said something about what was wrong with the Democrats' approach to health care. His conclusion was that we had made two big mistakes. One mistake, he said, was proposing the idea of a health security card for all Americans and waving the card around. He thought that was a terrible mistake strategically.

The other terrible mistake he said was for the President to have held up a pen and say that he would veto legislation that did not provide universal coverage. I was somewhat amused by these remarks because these two symbols—the card and the pen—have been among my favorite aspects of the health care debate. These were symbols of hope, that all Americans at the end of the 103d Congress would have health care guaranteed for them.

So I waited a while before I spoke on the floor. Many Senators have already spoken on health care. Many more will later on. But I wanted to get an initial impression of whether my original view of the importance of this legislation

held up after listening to all the speeches.

I still think the reason for this legislation holds up, and that is the central proposition that every American should be guaranteed health care. The problems with the legislation, the controversy, is not about that principle. There is a tremendous amount of debate about employer mandates and whether we should have a premium tax or the mix of generalists versus specialists, and other very important issues. But it still seems to me that a reasonable centerpiece of the health care debate is whether or not we are going to provide a guarantee of health care for all Americans.

So, Mr. President, I wonder why that issue has seemed to have dropped from view, relatively speaking. To me it is still the most important issue, and that if we do anything with the Mitchell bill, we should strengthen the provisions for universal coverage.

I have felt this way for a while and, naturally, we all campaigned in 1992 on the notion that we would provide health care for all Americans. I think everybody, on both sides of the aisle, probably said something along those lines.

But we did not stop there. We went beyond that into the legislative period, and the words from the famous campaign of the Senator from Pennsylvania have been repeated in many different ways, but they still hold true:

If criminals have a right to a lawyer, sick people ought to have a right to a doctor.

Those words are, to me, still the basis of a hope and an expectation that we have presented to the American people over the last few years, but in particular in this year. I give credit—tremendous credit—to the President and the First Lady for repeatedly making that known.

The President said in his famous speech on September 22, 1993:

So I say to you, let us write that new chapter in the American story. Let us guarantee every American comprehensive health benefits that can never be taken away.

I was grateful to have both the President and the First Lady travel to my State of Wisconsin. They did not just visit the big cities. They came to some of our middle-size communities, like Wausau and Janesville, and they repeated over and over again that proposition: That if nothing else, the end of this process will be that every American will have one of these cards to guarantee them health care coverage.

I remember sitting next to my friend, the junior Senator from West Virginia, during the President's State of the Union. Senator ROCKEFELLER and I were chatting now and then during the President's speech, and Senator ROCKEFELLER let me know that he was wondering if the President was going to hold up that pen. He hoped he would, and so did I. We thought it was a criti-

cal moment to see whether the President of the United States would say, "If you don't give me universal coverage, I will veto this bill."

So those two symbols gave a lot of people hope—maybe a lot of expectation, but they gave a lot of hope. And to me it is not a case of overpromising. To me this card and this pen are some of the best examples of leadership and strength that the people of this country have come to look for in their President and in their Congress.

The President said in his speech, "I have no special brief for any specific approach, even in our own bill, except this. If you send me legislation that does not guarantee every American private health insurance that can never be taken away, you will force me to take this pen, veto the legislation, and we will come right back here and start all over again."

So, Mr. President, I think the card and the pen are very powerful symbols. One expresses the promise of guaranteed health care for every American that could never be taken away. The other gives meaning and force to that promise. And I can tell you, having been all over Wisconsin holding town meetings and listening sessions, the card and the pen meant a lot to the people of the State of Wisconsin, and they expect us to act on it.

We have not seen much of those symbols lately. For many, the comfort and the reward of the status quo have been a little too tempting. The very interests that have fattened themselves on the inequities and inefficiencies of the current system have understandably fought to keep those defects and weaknesses in place.

To date, I am sorry to say, those interests have been successful in obscuring the debate, and many who have aligned themselves with these interests have done a tremendous job, a masterful job of misstating our health care problems. The other side has a tremendous skill. The other side knows how to keep it simple. They weigh a bill. They say it is Big Government. They bring out a chart that looks complex but is actually less complicated than the current system. They are darned good at that.

We need to get good at it, too. We need to talk about the simple message that this card and this pen are about a commitment that this side has to every American that the other side does not.

I remember well last year during the deficit reduction debate there was another symbol. In fact, some Boy Scouts handed me this symbol. It was a false symbol but it had been mass produced. It said, "No middle-class tax increase." Some of the folks on the other side had everybody in this country including Boy Scouts in Ripon, WI, believing that everybody's income taxes were going to go up under the President's deficit reduction bill.

It was not true. And the statistics show that only 1 percent of the people in this country had their income tax rates increase. But the symbolism worked. That little card misrepresented the deficit reduction bill and it took us months to undo, the consequence of people being misinformed of what the bill really did.

Mr. President, we need to return to talking about guaranteeing every American this health security card.

I am struck by the sort of having-your-cake-and-eat-it-too attitude that I heard out in the Chamber during the last 10 days. Just about everybody in this body says they are for universal coverage, but they say it is a question of how and when you get there, and whether or not somebody is willing to vote for the tough law that is necessary to make that kind of health care coverage possible.

Now, of course, there are some people who take the view that universal coverage is a bad concept. Some say it is an example of socialism—it is socialism to talk about letting every American have health care cards. Others pay lip service to the concept of universal coverage but say what we really need is universal access. But universal access is different than universal coverage. Universal access means if you have the dough, if you have the money to pay for it, you get coverage. It does not guarantee coverage.

Perhaps this problem of terminology was best shown yesterday when I had the chance to hear the junior Senator from Texas indicate that she believes that universal coverage is a noble goal and one that she said she shared. My question for you, Mr. President, and my colleagues is, how did we get from a guarantee of health care coverage and a right of health care coverage to the idea that it is simply a noble goal, like eliminating poverty or eliminating all environmental pollution.

For me, universal coverage has long been the core issue of health care. That does not mean there are not other terribly important issues. One is cost containment, the fact that this system, a combination of private and public health care, is going to go over \$1 trillion this year for the first time; another is, the issue of comprehensive benefits including mental health benefits and it is extremely central to this debate; the issue of home and community-based long-term care for the elderly and people with disabilities is the issue I have spent the most time on and talked to most every Member of the Senate about.

All of these are important and all of these should be addressed, but all of these are part of a larger reform which has its first principle in this, universal coverage. Sometimes I fear that there is not much talk about universal coverage or guaranteeing health care and that all these other issues are raised so

that that issue does not have to be discussed. It is too central. It is too obvious. It is too simple that this country has come too far to still be one of the few industrialized countries in the world that does not guarantee health care.

For me, this goes back all the way to 1972. I was 19 years old at the time. I bought and read a book by the senior Senator from Massachusetts. It was called, "In Critical Condition." It was one of the first and most important articulations on the notion that health care should be a right for all Americans. And I admit I was young at the time. I also believed in 1970 that when we started Earth Day, we would not have much of a problem with environmental pollution some 20 years later, but we still do. But that was youthful optimism, and I really believed that when Senator KENNEDY's book came out it would not be long before we could say that health care is a right of all Americans.

I am embarrassed that this country has not achieved that goal. I am embarrassed that the most powerful and rich country in the world still cannot say that each and every person in this country has a right to coverage. I am very proud of my country, but I am embarrassed by that.

This has been an article of faith for me and has been throughout the years until 1988 when I held hearings in Wisconsin on long-term care. And it was all supposed to be about home and community-based care. But it was interesting; some people came to the hearing, some representing labor, some representing health care groups, and they said, "State Senator Feingold, would it be OK if we talked a little bit about health care in general?" They taught me something I did not know. I did not know that 500,000 people in Wisconsin were uncovered. I knew that some were, but I was astonished to know that over 10 percent of the people in the State of Wisconsin did not have that coverage. Growing up in Janesville, WI, I believed and I assumed that all kids had health care coverage, whether they were rich or poor. And what really got me was learning at these hearings in 1988 that the only other industrialized country in the world that did not have that commitment to universal coverage was South Africa. Why the United States and South Africa? Why our country?

How can it be that we have the best health care system in the world, as the other side is so fond of saying, if 37 million Americans are not covered?

So that is why this card and this pen are so important. They are the key to showing all Americans that we are committed to each and every one of them. As the President said on November 20, 1993, under this legislation every citizen and legal resident will receive a health security card that guarantees the comprehensive benefit package.

So the question before us, that I think ranks above all other questions, is, do all Americans have a right to one of these cards? And will the President use the pen to enforce it? I certainly hope so.

But I have been a little disappointed lately. I made note of it at the time to read a headline in the Washington Post: "Clinton Backs 95 Percent for Health Care." To me, 95 percent is not 100 percent. That is a disappointment. The problem with the analysis of the 95 percent figure is that it involves a confusion, a confusion between the practical problem of making sure that everybody uses their right to coverage, and the legal notion that everyone should have a right to health care. In other words, you can have universal coverage for all Americans, but only 95 percent of the people may actually make use of that protection.

I am not saying that this is a constitutional right. Perhaps you could make that argument. The Founding Fathers talked about life, liberty, and the pursuit of happiness. That is not what we are talking about here. What we are talking about here is whether we are going to provide a statutory right, a public law that creates a statutory right, for every American to have health care. That is not in the Constitution, but the act of the Congress and the President.

Part of the problem with the sort of have-your-cake-and-eat-it-too added to universal coverage is that, if you believe that universal coverage for all Americans is impossible, you get statements like, "It is a noble goal." And many Senators come out and say it just cannot be done, that there is no such thing as universal coverage. That is not the case. It is based on a misunderstanding. I hope that misunderstanding is accidental.

The junior Senator from Texas said yesterday on the floor of the Senate that Canada did not have a guaranteed right to universal coverage. I have before me the provisions of the Canadian law.

Mr. President, at this point let me say that I could not be more delighted with the outcome on the amendment just preceding. I congratulate the Senator from Connecticut.

Mr. MOYNIHAN. Mr. President, may we have order.

The PRESIDING OFFICER. The Senate is not in order. Senators are encouraged to carry their conversations off the floor.

The Senator from Wisconsin, Mr. FEINGOLD, retains the floor.

Mr. FEINGOLD. Mr. President, I again thank the Chair and would like to say again that amendment was an important moment in this health care debate. It took us a long time to get to it. The other side did try seriously to defeat it, but they were not able to because the force behind this effort to

provide health care to all Americans, including children, will prevail. In that spirit I would like to take a moment to cite a statement of the senior Senator from Massachusetts, from 1972, from his book, "In Critical Condition."

Senator KENNEDY said:

I believe good health care should be a right for all Americans. Health is so basic to a man's ability to bring to fruition his opportunities as an American, that each of us should guarantee the best possible health care to every American at a cost he can afford. Health care is not a luxury or an optional service we can do without.

Senator KENNEDY said:

Every child who is retarded or whose arms or legs remain twisted because his parents could not get care, every family that faces financial disaster because of the cost of illness or is broken by unnecessary suffering or death, is kept from fulfilling the right to life, liberty, and the pursuit of happiness that we cherish in America.

Those words are 22 years old. But today, a few minutes ago, the U.S. Senate began the long march to making sure that dream can become a reality for all Americans.

Mr. President, let me reiterate that when you say health care is a right for all Americans, or that we guarantee health care for all Americans, you are not necessarily saying it is a constitutional right. It may be. You could argue that. But what we are about here in this effort, in this Congress, is to try to create a law, a national law, a Federal law, a statutory right for all Americans to basic health care benefits.

But again, there are those who want to have their cake and eat it too on this issue. They want to say universal coverage is a noble goal but that it cannot be done; there is no such thing as universal coverage in any country or in any place. But that is based on a misunderstanding of what the notion of guaranteeing universal coverage is all about. I hope it is an accidental misunderstanding. Too often during this debate I fear it has become a convenient misunderstanding; an effort to confuse the American people and make them think that it is literally impossible to guarantee every American the right to health care. That is not the case.

The junior Senator from Texas said yesterday, "Look at Canada. They do not have universal health care in Canada."

That is incorrect. In Canada universal coverage is not a goal. It is not a hope. It is a right.

All residents of a province must be entitled to insured health services.

That is what I mean by a statutory right. As a matter of law in Canada, every Canadian has a right to health care. I know of no exceptions.

The Senator from Idaho yesterday tried to point out that in Hawaii not everyone is covered, even though they, apparently, have an excellent system

based on an employer mandate. It is the case that a certain small percentage of the people of Hawaii are not covered. But that is because they have not chosen to make health care a right for all Hawaiians. There are statutory exceptions—apparently for State employees and for certain part-time employees. So they have not made that commitment, although they have made a tremendous effort in the absence of it.

Others have said universal health care coverage is impossible. They say look at the Social Security system. We have had it for many, many years but not everyone is part of Social Security. Mr. President, that is because we have chosen to exempt as a matter of law, as a matter of statute, certain people from the Social Security system. We have never said in this country that Social Security is a right of every senior citizen or every individual.

The PRESIDENT *pro tempore*. Will the Senator suspend? The Senate will be in order.

The Senator will proceed.

Mr. FEINGOLD. I thank the Chair.

In all candor, Mr. President, colleagues, I have to say that even under Senator MITCHELL's bill, the statement by some that we can never get to 100 percent and therefore we will go to 95 percent does not really add up. If that is the case, why is there a provision in the Mitchell bill saying that if we have reached 95 percent by the year 2000, that a congressional commission will be formed in order to make recommendations so we can go that final mile, so we can get the next 5 percent, the 100 percent coverage? I think a lot of this confusion again comes from not understanding the distinction between the practical problem of actually delivering health care to all Americans and the existence of a statutory right. The difference is between coverage and usage. Everyone can and should be covered by law. But that does not mean that everyone will use health care services. That is a practical problem. Maybe we can compare it to the right to vote. All qualified electors in this country have the right to vote.

Mr. President, we all know painfully that not everyone exercises that right to vote. We have one of the worst records in the world in terms of the exercise of that right. But that does not make it any less the right. Every person 18 years old who is qualified and is not disqualified for reasons of having committed a felony has a right to vote. That is the difference between a right and the effective problems of trying to get everybody out to vote. So too is there a difference between coverage and actual usage.

I believed, and I am not ashamed to say anywhere, that I think in the United States, health care should be available on demand for a person who seeks it. No one should be able to be turned away. Yes, Mr. President, I say it is a

guarantee that should be given to all Americans, and I use that word in a positive sense.

I will go further. It is an entitlement. I will stand here on the floor of the U.S. Senate and say health care should be an entitlement. Well, you are not supposed to use that word these days. It is a bad word, and I agree we need entitlement reform in a lot of areas. There are programs that need to be looked at. But I am not afraid to stand here on the floor of the Senate and say when it comes to the notion that every American should be guaranteed basic health care coverage, that is an entitlement that stems from being an American, and the fact that we have not made it an entitlement for every American is a shame on this country, not something to be proud of.

So, Mr. President, you cannot force someone to go and get a checkup. We are not going to put a gun to their head and say, "If you don't get a checkup, you're in violation of the law."

But if someone wants a checkup, if any American in this country feels they need a physical, they should have a right to do it, they should be entitled to it as a result of their being Americans citizens. So the key distinction here is between coverage, 100 percent coverage, and a 100-percent right to coverage.

Let us try to break it down briefly. It is very hard to examine all the provisions of the bills that have been introduced from the beginning, from the President's bill all the way through. And, yes, some of them are 1,500 pages and some are 700 pages.

But on this issue of whether health care is established as a right, that is basically a yes or no answer for each of the plans. Let me run through them.

Under the President's plan, the answer is yes, health care is a right.

Under Senator WELLSTONE's excellent plan for a single-payer system, health care is guaranteed and is a right.

Under the Labor Committee bill, health care is guaranteed for all Americans; it is universal coverage.

Under the Finance bill, that is not the case.

Under Senator GRAMM's bill, the Senator from Texas, the answer is no, it does not provide for universal coverage.

Under the bill of the Senator from Oklahoma, Senator NICKLES' bill, the answer is no, it does not include universal coverage.

One of the members of the Republican caucus, Senator CHAFEE, has a bill, frankly, which does provide universal coverage.

The bill from the House, from the other body, by one of the Representatives from Tennessee is a no. That bill, the so-called Cooper bill, does not provide universal coverage.

The Mitchell bill is not entirely clear. There are two scenarios under

the Mitchell bill where universal coverage could occur, where that right would be guaranteed. One is if all the States did not achieve 95 percent coverage by the year 2000, then the mechanisms would kick in that would, in effect, require universal coverage. The other scenario is if we do not achieve 100 percent coverage by the year 2000, then a commission is supposed to make recommendations to Congress that would provide for the type of legislation and rules that would get us to complete coverage.

I think this aspect of the Mitchell bill needs to be strengthened, but at least there are provisions in that bill that could move us in that direction if it worked out right.

Finally, let me say the bill proposed by the majority leader in the other body does provide universal coverage.

So I say to my colleagues and anybody who is watching, this is not all that complicated, this piece of the issue, this central issue. Some of the bills make the commitment to every American and some do not, and to me there is no more important issue than whether that is provided.

To me, giving health care coverage to all Americans is the touchstone of this entire issue, regardless of how we implement it.

Mr. President, we supporters of universal coverage run into a little bit of a problem if we start talking about trying to get close to 100 percent coverage, if we start playing the numbers game. One problem that the President and the majority leader both identified very clearly is that if you do not cover all Americans, there is cost shifting involved. Somehow the system works in a way that the costs get shifted and those who are not covered or choose not to be covered actually cause those who are covered to pay more.

Insurance reforms, such as banning restrictions based on preexisting conditions and guaranteed portability, extend coverage to the sick and other high users of the health care system. What happens, Mr. President, is the newly insured sick drive up the premiums for the currently insured and this, in turn, causes higher premiums because some healthy individuals who are currently part of the health care plan of the insurance company drop coverage. They decide to go without that coverage because it is getting too expensive.

This shrinks the insurance pool. Because the sick and the high users of health care remain in the pool, the average costs for the pool increases and it drives up the premiums again. Higher premiums again cause more healthy individuals and firms to drop coverage, and it keeps going. The costs of the system go up rather than down if you do not have complete coverage.

There is also a problem with saying that we are going to try, as the Mitchell bill suggests, to get to 95 percent.

That is sort of the new goal that was identified. The problem for me is that in Wisconsin, a pretty good-sized State—not one of the biggest, but I think 16th or 17th in the country, about 5 million people—if we only get to 95 percent, 250,000 people will not be covered, a quarter million people in the State of Wisconsin alone will not have health care coverage.

Finally, what troubles me about this numbers game, saying we will never get higher than 95, let us go for it and try for 96, 97, or 92, is that it leads us down the slippery slope that the Republican leader wants us to go down. Obviously, he knows what he is doing. He gets up on the floor and says during his opening statement, which I had a chance to witness here in the Chamber, "What is all the argument about?" He thinks his bill will get to 92 percent, we will get to 95, so what is all the hullabaloo about 2 or 3 percent?

Two or 3 percent does not sound like very much. But 2 or 3 percent is a lot. Fifty-eight million Americans were uninsured for some part of last year. But what is the difference between 92 and 95 percent? Three percent of the Republican leader's State of Kansas is 75,000 people. Three percent of Wisconsin is 150,000 people. Three percent of the United States of America is 7.5 million people. That is not a little number, that is the combined population of Kansas and Wisconsin. Ninety-five percent is not universal.

The difference between 95 percent and 100 percent is 5 percent. Five percent of Kansas is 125,000 people. As I have said, 5 percent of Wisconsin is about a quarter million people, about 250,000. Five percent of the United States of America's population is 12.5 million people, five times the size of Kansas, 2½ times the size of Wisconsin, and it equals the combined populations of 13 States and the District of Columbia: DC, Wyoming, Vermont, Oklahoma, Mississippi, New Mexico, Delaware, Nevada, Alaska, Montana, Rhode Island, Idaho, Nebraska, and Utah. That is what the Republican leader says is only a little 2- or 3-percent difference; "What is all the arguing about?"

Well, that is very significant. We cannot allow the moral force that we have on this issue that Americans have a right to coverage to be trivialized by the use of percentages.

We have to confront it head on. We have to confront the fact that we are talking here about 12 to 15 to 16 million Americans, depending on which bill you are talking about.

To put it in more human terms, I have to ask, who are these people? Who are these 12.5 million people who will not have health care coverage? And what am I supposed to tell them after we get this done? What am I supposed to tell them? Am I supposed to say, "I am sorry; you don't get one of these

cards. Better luck next time, 50 years from now, when we do health care again."

Am I supposed to tell them that the homeless people will have the coverage—they will under any one of these plans—but that the working poor will not? Am I to tell them that somebody who is on welfare gets this card but they do not? Am I to tell them that all the Members of the Senate will have the coverage but they will not?

My good colleagues from Minnesota and Illinois, Senators WELLSTONE and SIMON, the other day put on a little performance where they picked out 5 Ping-Pong balls out of a group of 100 and said, "I wonder which 5 Senators will not get health care coverage if 5 percent of the American people are not going to get health care coverage."

We know very well that no Member of this body and no Member of the House will have that consequence. So the question really becomes who are these 12.5 million Americans that are not in on the deal, that are not going to get one of these cards?

Recently, in the Washington Post, there was an article making light of the fact that the Members of the Senate come out here and give human examples of this health care issue almost as if to say when are they going to stop telling about their mom or dad. But that is the only way it can be done, by putting it in human terms. So, forgive me, but I think it is appropriate to talk about the fact that I believe these 12.5 million Americans are, by and large, lower and lower middle-income people, a lot of them women, who work for small businesses, who make, let us say, \$15,000, \$20,000 a year. My analysis is that this is the largest share of the people who will not get health care under this bill—not the very poor; they are covered; they are covered now, but the working poor.

I encountered two examples of this back in Wisconsin in recent months. I was sitting on the airplane going back to Wisconsin on our own Wisconsin airline, Midwest Express, and I started talking to a young woman who told me that she was on her way to law school. She had been divorced. She has two children. She told me during the course of our conversation that she had had cancer, but, fortunately, she has had a clean bill of health for 5 or 6 years.

So I asked her, "Do you think you will be getting health care coverage?"

Answer: "No." In part, because of the preexisting condition issue. But even if we eliminate barring coverage for existing conditions she still may not be covered. That is because she did not have the economic wherewithal to buy insurance. She has some child support. But she is trying to go to school. She is trying to get that law degree. And what this does, because she makes too much for a subsidy but not enough to pay for the health care, is leave her out

in the cold. This person who has had some rough breaks along the way already is trying to make something of herself, and in this country we cannot deliver her this health care.

One other example. I was in a beautiful place in the State of Wisconsin earlier this year, Buffalo County, WI, on the Mississippi River. It has had the great experience of having bald eagles restored there that were once gone. I went there to hold a town meeting. It was going fine, and near the end of the town meeting, one lady got up and said that her job was to be an elderly benefit specialist which is a program in Wisconsin where people help older people try to figure out their tax forms and health care benefits. It is an excellent program and I had the good fortune to help create it in the State of Wisconsin.

She was telling me about the program. But all of a sudden she sort of broke down in tears. She told me that she was probably going to have to leave that job where she tried to help other people understand the health care system and she was going to have to become a receptionist at another place of work because she did not have health care. Here is a person serving the health care system who is going to have to leave that system and will not be covered under many scenarios under this plan.

What are we to say to these people? "You are not part of the American dream." Are we supposed to say, "Sorry about that." Are we supposed to say, "Sorry about the lack of coverage for you and your children, too." I do not look forward to the prospect of doing that.

It leads me to yet another problem, sort of the flip side of the issue. I have heard the Republican leader and others all across the country say, hey, this is only an issue for 15 percent of the people of the country or 38 million Americans. Why not just take care of that group. Why not just give them health insurance.

That sounds pretty good. It is really simple, just like holding up a bill and weighing it. Really simple. But the problem is it is so simple that it oversimplifies the issue so as to make it not accurate. The health care crisis is not about some fixed group of people. That 15 percent or that 38 million is just a snapshot. It is the number of people at any one time that are uncovered, and it is constantly changing. It would be like trying to remove a flaw from a movie by correcting only one frame. That particular frame might look better, but the rest of the movie will still be flawed.

As I have said before, during any particular year, we can expect that 58 million Americans will be without any health insurance for part of that year. And the coverage appears to be slipping.

The First Lady, in continuing her hard and courageous fight for this legislation, announced today that since we started working on this bill, 500,000 more Americans have had their coverage dropped. And those businesses that continue to provide coverage for their employees are subsidizing more and more of their competitors.

Beyond that, the health care crisis is also about controlling costs. And here again it is well established that the only way you can control costs is through universal coverage. As I have said, another tempting diversion is the refrain that we should, of course, strive for universal coverage as a goal but that 95 percent or 92 percent or 90 percent is acceptable. Again, it sounds reasonable on its face. Let us do what we can for the President may be the notion. After all, 95 percent or 92 percent or even 90 percent coverage is better than what we have now.

But this goes to the heart of the issue, both in the general perception of our health care problem and the underlying philosophy of reform.

First, there can be no effective cost containment without universal coverage. So the failure to guarantee health care coverage that can never be taken away means that costs will go up. And as costs go up, certainly coverage will go down. But, Mr. President—and this is really the central point—even if costs could be contained without universal coverage, the failure to guarantee health care coverage that can never be taken away means that health care coverage can be taken away. As long as there is any gap in coverage, everyone, every American, is at risk.

Let me move to the last part of my opening statement by just presenting a couple of analogies to illustrate this. A couple of them are a little more light-hearted. The first one is appropriate for Wisconsin. It has to do with mosquitoes.

In Wisconsin, in August, there is nothing more compelling than the notion of mosquitoes. Some have even suggested that, given the size of mosquitoes in Wisconsin at this time of year, instead of the robin, the mosquito should be our State bird. The analogy is to good mosquito netting. Guaranteed coverage is like good mosquito netting. Anything less than 100 percent is not much good. It does not matter if the hole is an 8 percent hole or 10 percent hole. Unless the mosquito net gives you 100 percent coverage, it is not very pleasant camping in Wisconsin at night.

Let me try a different analogy for our coastal States. It is like a lifeboat in the middle of the ocean. If there is a hole in the bottom, it does not much matter if it is a 7-inch hole or 10-inch hole. Unless you completely plug up the hole to get 100 percent coverage, you are going to get pretty wet.

The final analogy is that health care coverage is kind of like a chain, Mr. President. It does not matter much if 10 percent of the links are weak or only 5 percent are weak. Unless 100 percent of the links are strong, the chain will break.

Mr. President, in this case, it is a human chain of Americans who should all be linked together in one respect, that each and every one of them knows, as a right of their birth as an American citizen, that they have that coverage.

Mr. President, let me come to the final part of my statement by pointing out the simple fact that there are two major bills being discussed out here now: The bill of the Republican leader and the bill of the majority leader.

There is no comparison between the two with regard to the issue of universal coverage. The bill of the Republican leader leaves such a gaping hole that there is no chance of achieving universal coverage.

According to the Lewin-VHI analysis of the Dole proposal, three out of the four uninsured Americans would be left without coverage in the year 2000. That same analysis of the Dole bill found that 6 million children will still be uninsured at the end of the decade. Under the Dole-Packwood bill, Congress is not even required to consider recommendations for achieving the goal of universal coverage, as does the bill of the majority leader.

As I have said before, I think the universal coverage provisions of the majority leader's bill need to be improved, but at least there is a serious effort there to create mechanisms that can lead to universal coverage. In this respect, there simply is no comparison between the Mitchell bill and the Dole bill. The Mitchell bill has its goal of achieving universal coverage for all Americans.

To conclude, let me just say I again want to return to these two symbols, a card that every American should have and the pen that the President should be ready to use if this bill does not provide universal coverage.

I saw a cartoon in one of our major newspapers in Wisconsin of a couple of days ago. It is lighthearted, but sort of lets us know how far away we have come from this simple symbol of a universal health care card. What it shows is President Clinton on the ground holding a crime bill, and he is pretty battered. He has been treated pretty harshly by a couple of elephants. There is even a donkey behind him with sunglasses. One of the elephants says to the other, "What did you find?" After he looked through the President's wallet, the other elephant says, "No cash, just one of those cards supposed to guarantee health care coverage."

I am concerned that is all that is going to become of this card, that it will end up being a subject of humor for political cartoons.

It is sobering for me to think that 22 years ago I read the book by the senior Senator from Massachusetts. But I think he was right then, and I think he is right now. This country has to provide universal coverage to all Americans.

He said in his conclusion:

We have a choice of conscience to make in America. It is a choice of whether we will assure each other and all Americans good health care at a cost they can afford. The pages of this book are filled with the tragic stories of the people who have been hurt because we do not make this assurance. We can put an end to such stories, and I believe we should. I urge Americans to search their hearts to choose and to make their choice known. To take so major a step the government needs your support.

Mr. President, I say today, some 22 years later, we need the support of this body. We need the support of the U.S. Senate to finally guarantee to all Americans health care that can never be taken away.

Mr. President, there ought to be a law. Mr. President, there ought to be a law that guarantees every American—every American—a right to health care coverage before the end of the 103d Congress.

Mr. President, I yield the floor.

Mr. MITCHELL addressed the Chair. The PRESIDENT pro tempore. The majority leader.

Mr. MITCHELL. Mr. President, I want to thank my colleague from Colorado for permitting me to proceed next. I do not have a lengthy speech, but I do have a few comments I would like to make. I know he has been waiting for some time. I am grateful for his courtesy, as I am of the earlier courtesy of the Senator from Wisconsin for permitting his remarks to be interrupted.

Mr. President, during the course of this debate so far, my bill has been the subject of many misrepresentations, distortions, and some outright untruths.

There have been so many that I have not been able to respond to all of them. But I want now to respond to statements made today which were categorically untrue for which I believe a response is necessary.

It is clear that the tactic of the opponents of this legislation, at least many of them, is to confuse and frighten the American people, and they are attempting to do so by making statements about my bill that are untrue.

This is a document distributed today by several Republican colleagues criticizing the legislation under the headline "Clinton-Mitchell denies consumer choice." It then states, "You can keep your own plan unless your plan is less generous; you can keep your own plan unless your plan is more generous." And the text that follows is intended to clearly convey to the American people that there can be no plan other than the standard benefits plan contained in my legislation. That is untrue. I repeat. That is untrue.

Mr. President, my bill, like many of the bills introduced by Republican Senators as well as Democratic Senators, provides for a standard health benefits package, the purpose of which is to provide uniform coverage and to make it easier for consumers to choose between competing health plans based upon price and quality, as opposed to different types of options.

The bill requires employers to make three types of delivery plans available to each consumer so that, although the benefits package would be the same. There would be a traditional fee-for-service plan, a health maintenance organization type plan, and other plans commonly referred to as "preferred providers." And the individual would choose among the three plans. But—and this is an important but—under my bill, individuals can purchase supplemental benefit coverage above the basic benefits plan if they choose. If they want to have additional benefits or different types, or different types of cost-sharing protection, they are free to do so. So the suggestion that no one could purchase better coverage than the basic benefits plan is incorrect.

Second, my bill also includes an alternative standard health benefits package which would cost less because, although the coverage would be the same, the deductibles and copayments to be paid by the consumer would be higher.

So an individual, therefore, could choose an alternative benefits package with lesser coverage in the sense that the deductibles and copayments would be higher. So the suggestion that a person could not buy anything less than the benefits package is also untrue.

I want to repeat that so there can be no misunderstanding. Every person would be offered three types of delivery plans of the standard benefits package. But any person could choose either to supplement that with additional benefits coverage if he or she wishes to do so, or an alternative standard package which would cost less because the deductible to be paid by the individual or the copayment to be paid by the individual would be higher than in the standard benefits package.

On this question of choice, that it denies consumer choice, the fact is that the legislation would increase choice, and it would increase it in the following way: Right now, most Americans receive their health insurance through employment. A person gets a job, the employer makes health insurance available in some form or another, and the employee is, therefore, covered. But for the overwhelming majority of Americans, the only choice of plan is to accept or reject a plan which the employer negotiates with the insurance company. So the employer meets with the insurance company, agrees on a plan, then makes it available to employees, and the employee must then

choose to participate in that plan or not. One plan.

Under this legislation, employers would be required to make available to employees three different plans. Although the benefits package would be the same, the method of delivery would be different and, therefore, the price and cost would be different. And so the employee could choose, for example, a traditional fee-for-service plan, in which the employee retains the right to choose any doctor he or she wishes to visit, or the employee could choose an HMO-type plan in which the employee agrees to be treated by the organization and the physicians who are in the employ of the organization. The individual then gets the choice, and each individual will be able to make it based upon price and what he or she sees as important to them.

I repeat and emphasize that if that individual does not think that the coverage provided in the standard of benefits package is broad enough, he or she can go out and buy supplemental benefits. And if he thinks that is a good plan, but he cannot afford to pay that premium and is willing to take a chance of having to pay a higher deductible, he can choose the alternative standard benefits package and, accordingly, pay less but be subject to higher deductibles and copayments if the person becomes ill.

So, Mr. President, I hope very much that we can have a good debate on this bill. But I hope it will also be accurate.

Finally, I will conclude with one further point, and that is this: Over and over and over again, the statement has been made that this bill provides for a "Government-run" health insurance system. That has been said dozens, if not hundreds, of times. A "Government-run health insurance system." I make two points on that. First, the bill does not so provide. It does not provide for a Government-run health insurance system. It provides for a voluntary system in which Americans would purchase private health insurance. Indeed, in that respect, my bill does the opposite of what has been suggested, because right now, there are 25 million Americans who receive coverage under Medicaid, which is a Government program. And, under my bill, that portion of Medicaid would be abolished, and those individuals would be encouraged and assisted in the purchase of private health insurance. So they would receive health insurance coverage in the private market on the same basis that other Americans are now receiving. So it actually reduces one of the largest Government programs and has those people enter into the private insurance market. And so I hope that people will look beyond the rhetoric.

I know the mood in our country today is that a popular way to attack anything is to say it is "Government-run" and to suggest somehow that it is

therefore inefficient. Of course, our colleagues who make these statements all support the Veterans Administration health care system. It is the largest health care delivery system in the country, and it is a Government-run system. Not only do they support it, they go around to veterans parades and veterans facilities and veterans meetings, and they tell the veterans how they are going to protect their health care system, and they run television ads when they are up for reelection saying how they are going to protect the Veterans' Administration health care system. They do not go around to their States and say, "I am against Government-run systems, and the Veterans Administration system is a Government-run system, so we ought to abolish it." They say just the opposite.

The same is true of Medicare. Medicare is a Government-run system. Not one of our colleagues who stood here and said, "I am against Government-run health programs" goes back home and says to the elderly citizens, "I am against Government-run health insurance systems, so I favor abolishing Medicare." They say just the opposite. They go to the senior citizens homes and coffees and stand up and say to our elderly citizens, "I am going to protect your Medicare system," and they run television ads promising to protect the Medicare system, a Government-run health insurance system.

Of course, the largest Government-run program in the country is Social Security. It is a Government-run program, and it includes health insurance with Medicare, Part A. Not one of our colleagues goes back to their States and goes around to senior citizens centers and says to those people there, "I am against Government-run programs, so I am going to vote to abolish Social Security." They say and do just the opposite there as well. They go and they say to the senior citizens, "I am going to protect Social Security," and they run television ads telling people how they are going to protect Social Security.

So while they stand here and say they are against "Government-run programs," when they go back home to their constituents, they spend a lot of time and effort and money telling their constituents how they are going to protect those very Government health insurance programs. I hope people will keep that in mind as they listen to this debate.

I want to say that Senator MOYNIHAN happens to be sitting here, and we had a ceremony at the White House yesterday in which the President signed into law the legislation to make Social Security an independent agency. Senator MOYNIHAN is the author of that bill and the person who has done more in our Nation to protect and enhance and improve Social Security than any other. This legislation is the latest in a series

of achievements in that regard. I think, better than any of us, Senator MOYNIHAN understands the importance of Social Security to our Nation.

I conclude by saying that the arguments made today against this legislation are almost word for word the arguments made against Social Security, and almost word for word the arguments made against Medicare—almost word for word.

Mr. President, those items did not prevail then, and I hope they will not prevail now. I thank Senator BROWN again for his courtesy. I think I went on longer than I had anticipated. I apologize, and I thank him for his courtesy.

Mr. BROWN addressed the Chair.

Mr. PACKWOOD. Mr. President, out of curiosity, how much time is on our side?

The PRESIDENT pro tempore. The Senator from Oregon has 60 minutes under his control.

Mr. PACKWOOD. I yield such time as the Senator from Colorado wishes.

The PRESIDING OFFICER. The Senator from Colorado [Mr. BROWN] is recognized for such a time as he may consume, within the 1 hour that is under the control of Mr. PACKWOOD.

#### TRIBUTE TO ABNER MIKVA

Mr. BROWN. Mr. President, I rise to pay tribute to a recent appointee of the administration. Last week, Abner Mikva was sworn in as counsel to the President. He takes the place of Mr. Cutler, who had held that job temporarily.

Mr. President, I want to comment on this because I know Abner Mikva, and while we do not share the same political party and while we do not share the same political philosophy, I know him to be a person of exceptional integrity, of great intelligence, and of great character.

He was a Phi Beta Kappa, Order of the Coif, distinguished scholar, cum laude graduate of the University of Chicago Law School, Phi Beta Kappa graduate of the University of Wisconsin. He has had an exceptional career of public service, including 10 years in the Illinois State Legislature, five terms in the U.S. House of Representatives, and serving until recently as the chief judge on the D.C. Circuit Court of Appeals, where he had served from 1979 forward.

Mr. President, I pay tribute to him because he is an individual who not only has achieved great things in his lifetime, but he is an individual who clearly indicates by his conduct and his demeanor and manner that he places truth and integrity above all other considerations in public discourse.

He is exactly the right person at the right time for the White House. I do believe this, that some of the problems that are surfacing about Whitewater,

or at least the way it has been looked at and investigated, would not have occurred if Abner Mikva had been there. I think he will make a difference.

Ultimately, he will do great service for the President of the United States, and I believe he will do great service for the country as well.

It is this kind of exceptional integrity and commitment that this Nation so urgently needs, and it is a great privilege for me to commend the President for this appointment that I think will serve us all well.

#### HEALTH SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. BROWN. Mr. President, the discussion on the health care bill has involved a large number of terms, and it must be confusing to people. But I want to cover just a couple of them at the outset, because I think they go to the very heart of the matter.

We have heard discussed repeatedly that we need to have universal health care coverage, and the suggestion is that without universal health care coverage, people will go without health care. Everyone listening should know that is not accurate. Health care coverage is dramatically and significantly different than health care. How so? You may not have health care coverage in the form of an insurance policy, but you do qualify for health care treatment at a low-income health care clinic. Those clinics are spread across the Nation.

When people do not have an insurance policy, it does not mean they suffer from a lack of health care. It means they do not have that mechanism for paying for it. You may not have an insurance policy, but you can go to an emergency room in a hospital and receive the treatment. If you are unable to pay for it, ultimately that debt will simply be written off. Again, you do not have an insurance policy but you can receive health care treatment.

Someone asked me why in the world are we debating and talking about health insurance when what we ought to be concerned about is health care.

Mr. President, I do not know if there is an easy answer to that. Some of the folks who brought this bill to the floor are interested in Government control of health care because they feel it will improve it. That by forcing people to have health insurance, the vision of Government control is accommodated, the need to control health care met. The focus on insurance is merely a device, not to provide health care, but to control this portion of our economy. That is what this is all about, a sincere and honest belief that this country would have better health care if indeed we had more Government control.

I thought tonight it might be worthwhile to spend a few minutes and sim-

ply take a look at what our experience has been in that area. The view is widely held that more Government control, dominance, and regulation of health care and its cost can improve the situation. It is clear that many of the legislators who favor the bill before us sincerely and deeply believe this.

Mr. President, we should not have amnesia. We ought to be willing to at least look at the facts and face them honestly and see whether or not that thesis holds water.

One of the major moves after the World War occurred in 1946 in the area of health care. It was the Hill-Burton bill. The Hill-Burton bill was designed to provide grants for construction and modernizing health care facilities. Many of the grants ran from one-third to two-thirds of the entire cost of the project. The thesis was if you have Federal Government assistance, then you would be able to provide additional health care through those facilities. It was a very large program, and between 1946 and 1974, \$4 billion was spent in it.

Now, did it solve the problems of health care? Well, read what the Democratic-controlled committee said about it in 1974. This is the House Interstate and Foreign Commerce Committee. The Democrat-controlled committee found that after \$4 billion of public funds had been spent on Hill-Burton, about 60,000 unnecessary hospital beds had been built, costing as much as \$20,000 a year in overhead.

Mr. President, this is what happened with Government intervention that was meant to solve the problem. The Government came up with money to hand out to solve the problem and what they did is by their own evaluation was build 60,000 unnecessary hospital beds costing in overhead alone, not the costs of the bed, in overhead alone, up to \$20,000 a year. The overall cost was over \$1 billion a year in extra overhead costs.

Members of this body will remember, because many of them were members of the State legislature in 1974 and thereafter, when the Federal Government passed new laws to correct that problem. But did we do away with all the Federal grants that had caused the oversupply? No. What Congress passed was a new act, a national health planning bill "to prevent unnecessary development, establish priorities for development of needed facilities, and monitor the use of Federal dollars."

Appreciate what happened. You have a Federal program to solve a problem which instead it makes it worse, and the answer is another Federal program with more Federal control. You cause a problem with Federal control, and then to solve the problem you created with Federal control, you go with more Federal control.

Why should I mention this? It is because this is a pattern. What we have done on a regular basis for the last 50

years is interfere arbitrarily in the controlling of health care, cause a problem, and use that problem as an excuse for additional Federal interference instead of going back and solving the problem to begin with.

It is as if this Chamber and some of its Members had amnesia, that they forgot that it was the Federal action that caused the problem.

Many will remember the health planning program because it involved the certificate of need process. It involved spending millions and millions of dollars on new regulations, on new controls. But incredibly the big cost did not come at the Federal level. It came tragically and incredibly on the State and local level to try and comply with the Federal bureaucratic requirements.

Mr. President, just an example, because I think it speaks for itself, in 1975 the health care planning legislation authorized \$125 million for construction and modernization grants to help build facilities. However, the health care planning legislation in 1975 also authorized \$119 million for planning processes—red tape, bureaucrats, paperwork, offices.

What did we really get for the \$119 million of paper shufflers? How many people were cured of their illness because of the new bureaucracy, the new offices and the new paperwork? Mr. President, none were. Almost as much money as was authorized for the grants for construction and modernization, was authorized for the bureaucracy. Federal action, Federal control, developing a problem, using it as an excuse for more Federal control.

In 1965 Medicare was enacted. It was designed to provide health care coverage for our senior citizens. Our distinguished majority leader referred to the program earlier and characterized some of those who have criticized his plan.

Mr. President, I will not deal with that other than to say that the distinguished majority leader has not been with me in my State. He did not accurately characterize what I say to my constituents. I would hope that we would not be involved in personal attacks.

It seems to me, the question here ought to be to deal with the facts and the issues, not question the character of others. The question before the body is the legislation and I think that is the appropriate approach.

One should not forget what happened in 1965. When the Medicare Program came up and was passed, legislators rightly asked how much is it going to cost, not just that year but the next year and the years out. The figures are there. Medicare part A—not part B, just part A—alone was estimated to cost \$9 billion a year by 1990. Some will remember it actually cost \$66.9 billion in 1990, more than seven times greater than what had been estimated; seven times greater.

We also ought to look at what happened along the way. As the costs in the Medicare Program began to go out of control, skyrocket out of control, Congress tried to act. In 1983, as the CPI and the medical CPI diverged and the medical CPI grew much faster than the regular CPI, Congress began to realize that there was a problem.

Let me just for a moment mention those CPI figures because they tell an interesting story. For those who honestly believe that Federal regulation is the answer to control costs, please look at the facts. Before Hill-Burton, going back as far as we have separate figures for the overall CPI and the medical CPI portion, we see this.

From the period of 1939 through 1946, before Hill-Burton, the average annual increase in year-to-year figures from the Department of Labor was 4.2 percent for the overall CPI. But the medical portion of this, before the Hill-Burton law was enacted, for the same years averaged 2.5 percent. The medical portion was 1.7 percent under what the actual CPI was. That is fairly logical, when you think about it. Medical care was dragging dramatically. Industry, where you have rapid advances in technology, tends to have a lower increase in the cost. But that is 40 percent less, comparing 4.2 percent annual average increasing cost generally to 2.5 percent in medical cost for those 8 years.

What happened when we went to more Government regulation and more Government control under Hill-Burton? For those of you who honestly believe that regulation is the answer, please look at it.

From 1947 through 1965, the average CPI increase was 2.6 percent. But this time, the medical CPI, instead of being below the average overall CPI, was not less, it was more. It was 3.8 percent, 1.2 percent higher, or 46 percent more. The facts are this: Before you had the added Government regulation, the medical CPI averaged 40 percent less than the regular CPI. After you added the Hill-Burton programs and the regulations, it was 46 percent higher.

What happened when you passed Medicare and Medicaid? Did it hold down the costs? Because that is what they talked about. Take a look at it.

In 1965, the medical CPI was 2.4 percent. In 1966, it almost doubles to 4.4 percent. In 1967, up to 7.2 percent. In the years since we adopted Medicare and Medicaid, the average CPI has been 5.6 percent. The medical CPI was 7.6 percent. That is 2 percent a year higher on the average.

For those who honestly believe that regulation from the Federal level is the answer to controlling costs, please look at the facts. They indicate exactly the opposite. They indicate clearly and unequivocally that the greater regulation that is involved in this enormous bill is not going to hold down prices. It is going to increase them. And I am going

to go into exactly why it will increase them in just a moment. But it should not be lost on Americans, as we consider even more regulation, that the medical CPI has been 36 percent higher than the full CPI since we passed Medicare and Medicaid.

By the time we got to 1983, it became clear that the Medicare costs were simply out of control, that we had to do something.

Federal failure; problem. What is the answer? Congress decided what was needed in 1983 was more Government regulation, and they enacted the Medicare Diagnostic Related Groups, the DRG's, designed to control the payment to hospitals by prospectively setting rates based on similar diagnoses. So DRG's were held out as the new regulatory tool to control costs.

For those who are watching, they can see the chart. This is the increase in Medicare outlays, and here is where DRG's came in. It was meant to stop the increase. That is how it was billed—more Government regulations to stop the increase.

What happened? In 1984, the consumer price index was up 4.3 percent, but the medical CPI was up 6.2 percent. The medical CPI was up almost 50 percent more than the regular CPI.

In 1985, the regular CPI was 3.6 percent and the medical CPI, 6.3 percent, almost double after you passed the 1983 DRG Act.

In 1986, the regular CPI was 1.9 percent. The medical CPI was 7.5 percent, more than three times as much.

Mr. President, please, please, our Members should take a look at the results of more Federal regulation and the impact on this process. To believe, as I know many Members do, that if we simply have more regulations, more controls, more statutes, that we are going to reduce costs is simply fantasy.

Let me share something with the Members, because I think many of us come from various walks of life and have not had a chance to deal with operating a medical office or a hospital. But, Mr. President, let me share one thing with you that I think is typical in every Member's hospitals at home.

Twenty years ago, the Greeley Hospital in my hometown, or the Northern Colorado Medical Center, as it is now called, had more beds than it has now. With more beds, they had five full-time people in medical records. Mr. President, after reducing the number of beds in the hospital, they now have 50 people in medical records. They have gone from 5 to 50.

Why have they gone from 5 to 50? Because the flood of new Federal regulations and the variety of ways in which they have responded to get paid and expand their income. If you want to reduce costs, you do not reduce it by increasing the number of people in medical records from 5 to 50.

Let me just share with the Members one quick thing. If you are trying to comply with the regulations we already impose on people, just for Medicare and Medicaid, not for Blue Cross/Blue Shield, not for the private insurers because those are additional to it—just for Medicare and Medicaid, one of the items you are going to want to have is a Medicare Topical Law Reports. They are put out by the Commercial Clearinghouse. These are simply the laws and regulations and practice guidelines. There is no fluff in here. These are simply what we impose on people. For those of you who have used these volumes you know they are on extremely thin paper and very small print. This is simply the regulations and the laws and the practices put forth. I put them here because I hope Members will take a look at them. On very thin paper with very small print, there are almost 15,000 pages of laws and regulations and practices. Why do the health care costs go up? Why does Greeley Hospital go from 5 to 50 in their medical records division? Why is it almost impossible to monitor this in a proper way? It is because we have buried the health care profession in paperwork and red tape.

The thesis that the way to deal with costs is through another giant bill and more regulations and more Federal control is just plain goofy. Before Members impose this on the American people, please take a look at what we have done to the American people already. Please take a look at what the system has to respond to. The reason costs go up is because of what the Federal Government has imposed on them in the mistaken belief that if we just add some more Government regulations we will solve the problem.

There are 5 volumes here on thin paper with small print; 15,000 pages. As I count it they average about 915 words per page, probably a little more. That is kind of a low average. If you read regulations and statutes at 300 words per minute—Mr. President, I know you are an attorney. I know there are many attorneys here. I do not know of an attorney who would dream of reading a statute or regulation at 300 words per minute; a novel, perhaps. But let us say you could and you did, and you read at 300 words per minute for these laws and these regulations, and you read 8 hours a day without a coffee break, and you read 5 days a week with no holidays, and you read week after week after week with no vacations. It would take you 5 months to simply go through this once—not memorize it, not know it, not work with it—simply to skim through it.

Can anyone honestly believe that what we need is more regulation to control cost? What has happened is we have added to the cost.

Congress did not stop after their failure in 1983, and after their answer of

more regulations. In 1986 Congress came back to it again and they noted the huge continuing increase of medical costs higher than the CPI. In 1986 Congress responded once again—a Federal failure, a problem—responded with more Federal controls. In an attempt to control physician charges under Medicare, Congress passed a reconciliation bill which establishes maximum allowable actual charge limits, MAAC's. I am sure all Members are intimately familiar with that.

How can we even talk about more of this stuff? We cannot even remember the names or the acronyms that we use. MAAC's, here it is on the chart. In 1986, did it stop the increase in prices? Of course not. Prices continued on up. In 1987 the CPI went up 3.6 percent, but medical costs went up 5.6 percent, 2 percent higher. More regulation meant more cost, not more control. So, in 1989, after experiencing the failure of 1946 and the failure of 1967 and the failure of 1983 and the failure of 1986, in 1989 we came back and Congress, in response to the Federal failure and the problem, responded by adding more Federal control. Congress instituted the Resource Based Relative Value Scale. For those who like acronyms, it is the RBRVS. And the Medicare Volume Performance Standard, MVPS. This was to cover payments to physicians.

(Mr. ROCKEFELLER assumed the chair.)

Mr. BROWN. The RBRVS is a fancy fee schedule. It takes into account time, skill, overhead differences. MVPS was an attempt to control costs by discouraging volume increases for services Medicare was paying less for under the RBRVS's. Did this solve the problem? The effort in 1989 resulted in this: In 1990 the CPI was 5.4 percent and medical CPI was 9 percent. That is right—it was almost double. Far from reducing the cost of medical care it increased it. Why did it increase it? It increased it because it added more regulations, more controls, more paperwork, more bookkeepers.

In 1991 the regular CPI was 4.2 percent and the medical CPI was 8.7 percent. In 1992 the regular CPI was 3 percent, medical CPI 7.4 percent, well over double, almost 2.5 times as high.

To contend that the answer to our problems is yet more Federal control and regulation simply is to ignore the cold, hard facts in front of us. When the President came to office he promised four things. He promised the American people health care reform, welfare reform, deficit reduction, and the downsizing of our Government.

It appears he may scuttle all three to achieve health care reform. To pretend that this is a downsizing of the Government is silly. It is a dramatic increase. Distinguished speakers on this floor have talked about how this is not socialized medicine. But no one has said

that it is not intimate Government control of the very details of the way almost every aspect of health care is administered and provided. To suggest this fits with downsizing of Government is simply not true.

Mr. President, here are the facts. The Clinton-Mitchell bill provides 55 new bureaucracies. Does anybody really think that is downsizing? It involves 177 new State mandates. It involves 815 new powers for the Secretary of Health and Human Services. It involves 83 new duties for the Secretary of Labor. It involves 6 new responsibilities for the Office of Personnel Management. It involves 49 new responsibilities for employers to comply with.

Let me repeat that. Employers who are trying to be competitive in a world market now have a list of 49 new responsibilities that they have to comply with. There are fines and penalties and potential prison sentences if they do not get the paperwork right.

Does anybody honestly believe that will make America more competitive in the world marketplace? Does anybody understand what it takes to comply with this?

To suggest this is the way to reduce cost is a joke. Here is what CBO says. These are not Republicans. The CBO folks are appointed by the leadership of both the House and the Senate and that leadership as everyone in this Chamber knows are both Democratic. Here is what CBO says:

For the proposed system to function effectively new data would have to be collected, new procedures and administrative mechanisms developed, and new institutions and new administrative capacities created.

They conclude by saying:

There is a significant chance that the substantial changes required by this proposal and other strategic reform proposals could not be achieved as assumed.

That is what CBO says. That is not what Republicans say. That is what CBO says. Under the Clinton-Mitchell bill, the Federal Government would regulate virtually every aspect of health care. Let me repeat that.

Under this bill, the Federal Government would regulate almost every aspect of health care, from what kind of insurance package people are allowed to buy, to where they get it, to how many specialists can be trained in a given year.

It restricts the choices of health care benefit packages. Earlier, the distinguished majority leader talked about what he felt were inaccurate descriptions of his package. Mr. President, there is no doubt that it does restrict the choices of health care benefit packages.

Under the Clinton-Mitchell bill, small employers are required to join a purchasing cooperative, and employers with fewer than 500 employees are prohibited from self-insuring.

Under Clinton-Mitchell, medical students may not be able to choose their

future. The Government will decide how many of any specialty are trained in any year.

Under Clinton-Mitchell, health plans may have to accept certain providers, even though they are not the best or most efficient provider of a service.

Under Clinton-Mitchell, many people will have to give the Government details about their most intimate personal lives to qualify or continue to qualify for subsidies. Are the American people ready for that? This is a country that balks at having an ID card.

Mr. President, one of the things that concerns me most is a discussion we have had with regard to insurance coverage. I have already talked about the commitment we have to health care and the way insurance coverage is used as a mechanism to expand Federal control. But one of the concerns I have is the language we use.

I have served 10 years in the House and 4 in the Senate. Every year I have been here, I have fought and urged and cosponsored measures that would extend to small businesses the same breaks that the giant corporations get. Under the Democratic Congress, large corporations can deduct 100 percent of their health care insurance costs. There are some limits with regard to policies, but big corporations can deduct it all. But under the Democratic Congress, small businesses that are unincorporated can only deduct 25 percent.

That is not fair. When I say "Democratic Congress," I say it because that has been the controlling mechanism, but one should not believe that Democrats in this country do not want that change, and many Democratic Members of the Senate want that change, as well as Republicans.

But each year that I have cosponsored that bill, it has gone to the Finance Committee in the Senate or the Ways and Means Committee in the House, and they have turned it down. The majority of people without insurance in this country today work for small businesses or have a member of their family work for small businesses. The number one thing we could do more than anything else to expand insurance coverage, if that is the goal, is to give small businesses the same deductibility as giant corporations get. It is not only fair but it is good policy. It is not overwhelmingly expensive, but it makes a big, big difference in insurance coverage.

How is it, how can it be that the Clinton-Mitchell bill does not give that equal deductibility to small businesses? If that is really the goal—if that is really the goal—to expand insurance coverage, why is it this bill does not have 100 percent deductibility for small businesses that big companies have? Once again, small entrepreneurs, individual entrepreneurs are being discriminated against. Ironically, giving

them the same deductibility would do more to expand insurance coverage than all the mandates we can talk about here.

The Congressional Budget Office notes as follows:

Senator Mitchell's proposal would discourage certain low-income people from working more hours or, in some cases, from working at all because subsidies would be phased out as family income increases.

Here is one of the problems with the bill. If you work for a living, in many jobs, particularly if they are with a corporation, you get health care insurance. Some of the plans are good and some are not so good, but generally they have health care insurance. But if you do not work for a large business, chances are you might not have health care insurance unless you buy it yourself.

You might have health care and you might have Government assistance for health care, but you do not have health care insurance. One of the reasons to go to work, one of the reasons to get out of bed in the morning, one of the reasons to roll up your sleeves is because you are better off and your family is better off if you go to work.

This takes one of the advantages of going to work and staying off welfare and shoots it right in the head. The clear message of this bill is if you are lower middle income, the Government has come up with a new way to discourage you from getting a job and getting out of poverty. That does not make sense.

We have talked about the desperate need to change the welfare system, and this is the biggest welfare program that has ever been talked about, in this bill. What it says is if you work for a living, you are going to get treated the same way as if you do not work for a living, even though you are able bodied, even though you are able to work. Mr. President, if you are able to work, I think you ought to live better than if you do not work. To destroy one of the incentives for people being productive and creative is foolish policy. The CBO, I think, has it right when they criticize it this way.

The CBO analysis goes on, and I quote again:

CBO estimates the effects of this proposal are unavoidably uncertain.

It is a giant bill. I can understand that. It is a difficult process. We can all understand that. But look back at what happened with Medicare part A. It was supposed to be \$9 billion by 1990, and it ends up being more than seven times that high.

In 1987, Congress created a disproportionate share program to assist hospitals serving the disadvantaged. CBO estimated that in the third year after enactment, the program would cost less than \$1 billion. In reality, it actually cost \$10 billion. That is a 1,000 percent mistake. Let me repeat that. The

program 3 years out was literally 10 times what the CBO estimate was. And we start off with a CBO estimate in which they say that their estimates of the effect of the proposal are unavoidably uncertain. Is that good management? Is that good government?

The costs that are identified in this bill for businesses in the State of Colorado in the year 2002 are over \$1 billion. Let me repeat that. In Colorado, in the year 2002, Colorado businesses will be hit for over \$1 billion just to cover their portion of the cost of this bill. \$1,015,439,000. Colorado is a small State, Mr. President, certainly in population, not in area.

The cost of this bill is gigantic and it is uncertain. The impact of more regulations, I believe, is going to be to increase costs, not to reduce them or control them. The history of Government action makes it very clear that this is not going to slow down costs. And why do costs go up as we regulate and regulate and regulate? We have already looked at the CCH reports, the Commerce Clearing House reports.

The CPT-94 is for reporting service codes for services and procedures performed for fees. It is 859 pages. In other words, if you are going to bill somebody, you cannot say I saw Mr. Jones and I treated her. You have to look up the codes, 859 pages of it.

The Medicare part B answer book, 1,600 pages of regulations. If the bill passes, this goes up, not down. The ICD-9-CM—does that sound like Martian talk?—two volumes of it, approximately 1,143 pages. These are simply classifications of diseases—a code book of classifications of diseases. Does anyone wonder why costs are skyrocketing? We cannot even get all of these things on a desk.

The HCPCS-Cannons, Procedures and Codes, 226 pages. Does anybody think this is an efficient way to run a railroad? Medicare Physicians ID Number Manual—this is simply to identify them, and it is only for a few States—172 pages. Physicians' Desk Reference, this is a drug compendium. These are not the Library of Congress. These are simple things that physicians and health care providers have to deal with every day if they are going to provide health care and bill Medicare. What we have done is take the greatest medical minds in the world and see if we could bury them in paperwork. Drug Evaluation Subscriptions, three volumes, 1,720 pages.

Mr. President, if regulation was the answer, if more laws were the answer, if Federal control were the answer, surely our health care would be free by now. How many more of these books and volumes do we have to impose on people before we figure out that they are part of the problem.

What we ought to be doing is not repeating the mistake we have made in 1946, in 1965, in 1983, in 1986, and in 1989.

We should not be recognizing the problem and deciding to deal with it by more Federal control.

What we ought to do is sit down for a moment and go back and get real solutions. What are they? I sponsored five major health care resolutions, legislation that was offered here, but I want to go through quickly a couple of the proposals that I think are important.

It would be inappropriate for me not to mention at this moment that last year, on April 27, 1993, after continuous delays by the majority in bringing up health care, Senator SPECTER brought forth his amendment to S. 171. Senator SPECTER was ready and able and willing to debate health care right then and there. He had asked continuously and repeatedly, and repeatedly the leadership of this body had turned him down.

Finally, he came to the floor and, in spite of their wishes, offered his amendment to reform health care, and I joined him, not because I agreed with everything in his bill but I agree with much of it. This body decided more than a year ago that they would not consider it. All this gnashing of teeth because we have not finished a bill that we just simply received the final copy of last Friday seems strange when you understand that more than a year ago the leadership of this deliberative body refused to let Senator SPECTER even bring the subject up.

Senate 1865 by Senator MCCAIN and S. 493 by Senator COHEN are bills to enable health care facilities' cooperation to better serve their markets, either allowing them to join or to form joint ventures to share equipment or by forming community health authorities. In other words, Mr. President, the proposal which is picked up in a number of other bills is to modify our antitrust laws and to see if we cannot get people to share facilities and equipment. It increases the usage and reduces the cost. That is a good idea and that will reduce cost. We ought to do it.

Senator GRAMM has talked about insurance reforms to address the problems of portability, and that is a good idea. I think that can make the system more efficient.

Senator CHAFEE has introduced a bill that I joined him to have ob/gyns be designated as primary care givers. I believe that should be passed.

We have already talked about how we ought to change our tax laws to allow full deductibility for small businesses. That should be passed.

There is a proposal in a number of these bills to provide for a medical savings account. What it does is simply allow people to have some discretion about how their health care money is spent, and that should be passed. I believe it would help reduce cost.

We ought to allow small businesses to pool together to get health care in-

surance buying power, just like large corporations do, and that can help reduce cost.

We ought to have meaningful tort reform, and every Member here knows it. That would help reduce frivolous lawsuits, speed up the time for payment when there is medical malpractice, and eliminate some of the waste and abuse in the system. And yet this bill, instead of making progress on medical malpractice, would take it the other way. It would gut a number of proposals that Colorado has made which are more advanced than the Federal level.

Colorado has made real progress in this area. In 1988, Colorado enacted a package of medical malpractice reforms that assured that the resources are available if the provider injures a patient but puts appropriate limits on how such claims are brought. Physician malpractice premiums have fallen by 53 percent since Colorado enacted its reform.

Mr. President, let me repeat that. Since Colorado enacted those reforms, the physician malpractice insurance has dropped 53 percent. This bill would have the effect of repealing some of Colorado's reforms. That is not progress. That is not reducing cost. It is increasing it.

Mr. President, I am convinced that we ought to provide incentives in the way we administer Medicare and Medicaid for providers to reduce cost. We ought to be smart enough to provide real incentives so if someone really does reduce the cost of a health care procedure, they share in that cost savings. Incentives will do much more than regulation to get us back on the right track.

We ought to reduce unnecessary paperwork requirements. Senator BOND has introduced a bill that will do just that, to simplify it. And I am glad to see some other proposals have picked out a portion of that.

Mr. President, this body voted on and all but one Senator in this body voted for legislation on the blood pathogen regulations. For those Members who remember that vote and remember how they voted, I urge them to review those regulations. Does someone going to medical school for 4 years or 7 years know enough to wipe off the table his patients change on?

Well, I hope so. Yet we passed these regulations that mandate and check on it and require more paperwork. Those blood pathogen regulations were some of the nuttiest, wasteful, abusive procedures that we have passed. If you talk about unnecessary paperwork and ridiculous expenses, they epitomize it. There was only one vote in this Chamber against those silly regulations. But if we were serious about controlling costs and expanding real medical care to people, those are the kinds of things we ought to look at.

But we should not look at another flood of regulations and statutes and

controls and guidance. We ought to look at real reform. We ought to look at real medical malpractice changes. We ought to look at real incentives to reduce the cost. We ought to fight for ways to make this system more efficient, not less efficient.

I am in favor of medical reform, but it is not this bill. It is a bill that has a dramatically different purpose. It is one that recognizes the answer to problems created by Federal regulation is not more Federal regulation. I do not know how anyone living in the latter half of this century could look around at what has happened in the world and come to the conclusion that central Government planning and regulation is the answer to economic problems.

The simple fact is in every country on the face of the Earth that has tried it, it has been a failure. What is needed are incentives for individuals to be productive and creative. This bill does the opposite. In short, I believe we ought to put our faith in the hands and the minds and the creative spirit of individuals and expand their freedom and opportunity and choices, and that we ought to turn our back on the efforts to regulate the minute details of how our medical system works.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, by previous agreement, I yield the remainder of our time, indeed, the time equally divided this evening, to the distinguished Senator from Florida, a former Governor, deeply involved in these matters.

May I say, Mr. President, that the Senator from New Jersey [Mr. LAUTENBERG] may come to the floor and may wish to speak. But after the 2 hours has expired, the floor is open for those who wish to speak.

Mr. MURKOWSKI. Mr. President, I am just going to make an inquiry.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. If I may ask the Chair, what is the remaining time?

Mr. MOYNIHAN. I believe 47 minutes. Well, I will ask the Chair.

The PRESIDING OFFICER. The Senator from New York controls 45 minutes.

Mr. MOYNIHAN. Forty-five.

The PRESIDING OFFICER. And the Senator from Oregon controls 8½ minutes.

Mr. MURKOWSKI. I thank the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, in the past few days we have had a chorus of pronouncements that national health care reform was moving from the intensive care ward to the morgue, that Congress is hopelessly gridlocked, that

partisan bickering has escalated into warfare, that the American people have given up in disgust in our collective inability to accomplish anything significant, and that we have fundamentally abandoned any expectation that we can act in their interest.

Mr. President, I disagree. The distinguished majority leader has, in my opinion, skillfully moved the debate forward by introducing a solid and constructive proposal that moves the Nation forward toward the goal of universal coverage. And many reasonable people, on both sides of the aisle, are now recommitting themselves to work toward a nonpartisan prescription for the widely acknowledged ills of America's health care system—excessive cost, inadequate personal and family health security, and gaps in services provided, particularly those which maintain health.

Some examples: Senator JOHN CHAFEE, a long-time leader in the area of health care reform, and now a leader of the Senate's mainstream coalition, has said:

It is essential that any health care reform measure pass by a very, very strong majority in this body \*\*\* I seek a program that is going to pass here 80 to 20 or 70 to 30, a healthy, strong, bipartisan support for that measure on the floor of the Senate.

Senator BOREN agrees when he says.

\*\*\* the only way we're ever going to get the deficit under control and sustain a long-range approach is to have a bipartisan plan, one that will have the support of a vast majority of the American people in both our political parties. And the only way \*\*\* that we're going to have health care reform carried through in an efficient and effective way is to reach a bipartisan consensus so that the plan can be sustained for many years\*\*\*

And to quote one additional of our colleagues, Senator COHEN has stated:

The decisions we make in the coming weeks are going to have a profound consequence for every single American. They are going to control the future direction of one-seventh of our Nation's economy. And we shouldn't even begin to contemplate enacting sweeping reforms unless they're broad-based and bipartisan.

Mr. President, I believe there is a clear formula for this bipartisan prescription, the basis for which is already in the majority leader's bill. We should build upon the genius of the Federal system. We should equip States and localities with the appropriate tools so that they, working with their citizens, can tailor health care reform to their unique circumstance. The role of the national Government should be to establish goals and to monitor the attainment of those goals.

The case for a decentralized health care system is compelling. Some of the points which make that case compelling include diversity as the key underpinning of the American health care system. Health care is particularly suitable to the establishment of national goals with decentralized imple-

mentation, and sensitivity to local cultural, geographic and institutional variations. States, and communities within States, have different health care needs based on societal factors such as the quantity and nature of health care providers.

For example, Nebraska, North Dakota, and South Dakota have twice the number of hospital beds as Alaska, New Hampshire, and Hawaii. Varying demographics, especially among the most health intensive populations—for example, Florida, Pennsylvania, Iowa, Rhode Island, and the State of the Presiding Officer of West Virginia—have 50 percent more elderly than do Alaska, Utah, Colorado, and Georgia.

Current levels of insurance coverage is another area of extreme difference. In Nevada, Oklahoma, Louisiana, Texas, and Florida, approximately one-quarter of the population under 65 is uninsured. Whereas, in Hawaii, Connecticut, and Minnesota, less than one-tenth of the population under 65 is without insurance.

Mr. President, clearly State circumstances require different solutions and different timeframes. For example, what would work in a rural area would not work in a highly urbanized area. The means of achieving universal coverage and access are undoubtedly different in Florida than they are in Wyoming.

Another point which I think makes the argument for a federalized system compelling is that the Federal Government is frankly ill-equipped to build or operate a unitary health care system.

The experience of nations with a long history of universal access health care systems—just to mention two, Germany and Canada—have shown that implementation requires decentralization. Our Nation is significantly more populated, geographically larger, and infinitely more diverse than either Germany or Canada. A successful plan would have to accommodate the broad diversity of the United States through decentralization.

Yale professors Theodore Marmor and Jerry Mashaw make this point in a July 7, 1994 Los Angeles Times editorial:

Given the diversity of States, their varied experience with health care and intense local preferences, why enact a single brand of national health care reform, especially if it's the poorly-considered compromise that we seem to be headed towards? By moving compromise in the direction of preserving goals rather than defining means, we can allow States the further thought and experimentation that are needed for effective implementation.

Mr. President, States have also demonstrated their creativity and ability to implement complex health care initiatives, often in the face of stiff resistance from the same Federal agencies that would be placed in charge of a proposed unitary system.

In health care reform, States have significant experience and success. The

summer 1993 issue of Health Affairs chronicles health care reform successes at the State level in Hawaii, Maryland, Minnesota, Oregon, Washington, and Florida. Significantly, each of these States have adopted reforms that differ in terms of scope, anticipated outcome, and processes. These variations reflect the diverse needs, ideology, and stage of health care evolution in each of those States.

So should national reform. Only then will we have real accountability, and responsiveness to the needs of consumers, businesses, and providers. Only then will we have health care reform that actually is able to deliver sustained accessibility to high-quality, affordable health care for all Americans.

Hawaii offers the best example of a State's creativity and ability to accomplish the goals of positive health care reform. In 1974, Hawaii passed a comprehensive health care reform proposal that included virtual universal access, financing through a shared responsibility between employer and employee, and a serious commitment to the prevention of illness.

As we celebrate the 20th anniversary of this State's initiative, we should take note of the following: Hawaii has the highest percentage of its citizens covered by insurance—over 96 percent. In Hawaii, the cost of insurance coverage for small businesses is 30 percent below the average for small businesses in the United States. Hawaii's infant mortality rate is 6.7 deaths per 1,000 live births. This compares to 9.2 deaths per 1,000 live births for the Nation as a whole. I believe the President would agree that those are compelling statistics of a success which started at the State level, started with citizens in a particular State responding to that State's circumstances to meet the goals and aspirations of its citizens.

Hawaii was fortunate in being able to develop and implement its health care reforms with the cooperation of a Federal administration also committed to health care reform—that of President Richard Nixon. Hawaii's reform system was also implemented prior to the enactment of significant restraints on the State's ability to innovate, such as the Employee Retirement and Income Security Act [ERISA].

Other States have not been so fortunate. My own State of Florida has experienced the frustrations of many States that have attempted to innovate, to be a center for reform, to be that laboratory of experimentation which is at the heart of the Federal system.

In the mid-1980's while I was Governor, Florida was unsuccessful in its attempt to receive a waiver from the Federal Government for a Medicaid buy-in program. The purpose of that program was to allow the working poor who were otherwise without insurance to be able to share with the State and

the Federal Government in accessing the Medicaid Program. The waiver that would have been necessary to make that possible was denied by the Reagan administration.

The current Governor of Florida, and our former colleague, Lawton Chiles, is making a similar effort, called Florida Health Security, to provide health care coverage again to the working poor. Florida Health Security would provide subsidies to uninsured working Floridians to purchase private health insurance. Participants would contribute a portion of their premium based on their incomes. Employers could voluntarily contribute a portion of their employees' premiums. The program would be paid for using Federal and State savings in Florida's Medicaid Program, realized primarily by enrolling Medicaid recipients in managed care plans. Florida Health Security would provide 1.1 million uninsured Floridians with health insurance coverage, and through this single initiative, this one initiative, raise the percentage of Floridians with coverage from the current 82 percent to 92 percent.

However, just as was the case a decade ago, Governor Chiles is now faced with foot-dragging and ho-humming from the Health Care Financing Administration, the agency that must grant the waiver. Why? Why has there been this reticence to allow States to innovate? A New York Times article dated June 12, 1994, may provide an answer. According to the article, Mr. Bruce Vladeck, administrator of the Health Care Financing Administration, warned in a June 1993 memorandum:

The waiver authority could become a way of relaxing statutory or regulatory provisions considered onerous by the States.

He added that waivers "will be used to slow down nationwide reform."

Mr. President, after over 6 months of review, Florida's waiver application is still pending in the Health Care Financing Administration bureaucracy.

Mr. President, I applaud the majority leader for his able leadership in moving the Senate toward consensus on health care reform. I believe his proposal provides the basis for a decentralized health care reform system. His bill allows for compliance with the national intermediate goal of 95 percent coverage by the year 2000 on a State-by-State basis. The majority leader's proposal rejects the concept that there must be a single national standard by which compliance is judged.

Specifically, Senator MITCHELL proposes that by January 1, 2000, 95 percent of the population in each State must have health care insurance coverage. In those States that fail to meet that goal, businesses would be required by the year 2002 to pay half of the cost of insurance for their employees and their families. Businesses with fewer than 25 workers would be exempt from that requirement.

I applaud the architecture of the majority leader's proposal. This State-by-State evaluation will fundamentally shift incentives and challenges. The plan will motivate States to develop their own reforms exactly to avoid the Federal prescription, while at the same time providing health care insurance coverage to their citizens.

Again, if I could, Mr. President, I believe there is a case study of this in Florida. Ask any provider, insurance, or business association in the State, and they will tell you that it was the threat of Federal action which was the impetus that brought all of the parties to the table to develop Florida's health care reform plan. Fifty individual State triggers, rather than a single national trigger, will cause States to accelerate their activities in order to achieve a 95 percent objective and avoid falling into a Federal mandate. States will also clearly understand that they cannot adopt policies which tolerate, much less contribute to, additional health care costs, without jeopardizing their ability to achieve the prescribed 95 percent level of coverage by the year 2000.

Senator MITCHELL's call for a State-by-State approach acknowledges variations among the States and recognizes that innovation must be tailored to the circumstances of individual States and communities.

Mr. President, this State-by-State evaluation gives States substantial control over their own destinies. Only through a decentralized evaluation of performance will States feel compelled to take aggressive action to reach the 95 percent coverage by the year 2000.

While Senator MITCHELL's bill lays the groundwork for a decentralized system, some modifications are necessary to reach his proposal's maximum potential. Such modifications could be grouped around the following principles: We should avoid Federal action which increases health care costs and then shifts those costs to the States. For example, S. 2357, the majority leader's proposal, would create three subsidized programs. One would be for mothers and children. A second would be for individuals who were formerly served through Medicaid, and a third would be a general subsidy program. These three would be in lieu of a single streamlined subsidy program. States would be required to administer the subsidy programs without Federal assistance for administrative costs. The Congressional Budget Office estimates that States will be required to spend an additional \$50 billion to administer these three programs over the next 10 years. We should also avoid policies that restrict the abilities of States to chart their own course.

For example, S. 2357 would calculate State maintenance of effort payments using an annual growth factor based on the rate of increase in national health care spending.

Using a national calculation rather than a State-by-State calculation penalizes those States that have already taken steps or will be encouraged to take steps to reduce health care costs and rewards those States that have not acted to control costs.

Also, States should not be held accountable for cost factors that are beyond their control, including federally prescribed increases in benefits and increases in the quantity of health care services due largely to the population's aging.

We should also avoid measures which have the unintended effect of punishing States which are implementing or proposing initiatives to expand coverage, to move toward that goal of universal coverage.

Under S. 2357, currently eligible Medicaid beneficiaries would not have their benefits reduced under the new subsidy program. While this is a laudable goal, I believe this provision penalizes States which have chosen to provide optional services beyond those required of Medicaid.

Such States would then be locked into those benefits while States that provide only the minimal Medicaid services would not.

In addition, States would be required under the majority leader's bill to provide benefits over and above the standard benefits package to individuals currently enrolled in the Medicaid program. These so-called wrap-around benefits would be matched by the Federal Government at the State's Medicaid match rate.

This requirement will add to State administrative costs, but more importantly, it raises a fundamental equity question by subdividing the low-income population into two groups, one group those who had previously been under the Medicaid program, the other group those who had not been under the Medicaid program, and provides a differential level of benefits at State administration and significant State cost to the former Medicaid eligible population.

We should, also, Mr. President, provide broad waiver authority from Federal statutes and regulations to facilitate State innovation.

This is not a new concept. In 1992, our colleagues, Senator LEAHY and Senator PRYOR, introduced legislation that would provide incentives to States to achieve comprehensive, State-based health care reform. I was pleased to be a cosponsor of that legislation.

This proposal should serve as a basis for an expanded waiver authority in S. 2357 so that States who want to take control of their destiny different from the Federal plan would be permitted to do so.

Mr. President, we should also eliminate requirements for which national uniformity is not essential.

Federal preemptions of State laws and Federal standards should meet the

following fundamental test: Does the desired goal require national uniformity in process or procedure, or can the desired goal be accomplished without Federal mandate and prescription?

Two examples within S. 2357, in my judgment, fail to satisfactorily answer this question. They are the essential community providers provision. This is a provision which will require a certain group of providers to be covered under all plans. I see no reason why States should not have the flexibility to determine whether there are within that State essential community providers and, if so, who they are. There is also a preemption of State licensure laws for medical professionals. States have traditionally exercised authority in this area. I see no reason why that authority should be shifted.

Mr. President, States should also be given a broader range of options should they fall short of the 95-percent coverage goal by the year 2000.

Under S. 2357, a State that fails to meet the 95-percent goal would be subject to new Federal standards adopted by Congress after considering recommendations from the newly created National Health Care Commission.

Should Congress fail to enact such provisions, the State would be required to adopt an employer mandate with employers paying half the cost of coverage for employees and their families. Employers with fewer than 25 employees would be exempt.

I believe a State which fails to achieve the 95 percent goal should have an opportunity to present a corrected plan to the Health Care Commission. The plan would be subject to Commission approval and would detail how the State would reach the 95 percent goal by the year 2002.

Under this construction, the employer mandate would be triggered if, and only if, the State plan is rejected by the Commission or if approved by the Commission the State fails to accomplish the goal of 95-percent coverage in its implementation.

States that take this second chance option would have the opportunity to learn from those States that had been successful in meeting the 95-percent goal. The Health Care Commission could also use these success stories of those States that had met the 95-percent goal to evaluate and assist deficient States in achieving the goal of 95-percent coverage.

Mr. President, health care reform is too important to the fundamental objectives of individual Americans and our Nation as a whole to languish or to be lost. I believe that we are close to a course of action which offers considerable promise of accomplishing our collective goals.

However, our goals will only be realized if we allow for maximum decentralization in their implementation. It only will be realized if we avoid imped-

ing the imagination and the commitment of millions of Americans to health care reform in their communities and in their States.

These are good citizens who, with a spirit of community and common sense, will find not one but a thousand roads which will merge at the common national destination of an affordable health care system that will provide quality health care services for all Americans.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I thank the Chair.

(Mr. GRAHAM assumed the chair.)

Mr. MURKOWSKI. Mr. President, let me note for the RECORD, as this debate continues, everybody on both sides of the aisle is truly supportive of health care reform. So really the issue is, how to achieve that in the best interests of the American public.

I am sure that many who have followed this debate are somewhat concerned with the mechanics of the health care proposals because indeed they are quite complex, but there are a few things that the American public understands.

They understand availability of health care. They want availability of health care, and they want that availability at the minimum cost with the most coverage. Availability also is synonymous, of course, with portable. They want the assurance of being able to have their health care insurance follow them from job to job.

But the American people are also concerned about aspects of the Mitchell bill, which is before us. And one aspect that certainly has caught the attention of a lot of people is the suggestion that approximately 100 million people will be subsidized by the Mitchell plan. That is out of a population in 1990 in the United States of 248 million people. Approximately 100 million will be eligible for some type of subsidy.

That does not ring very well with the American people because they are also concerned about the expanded bureaucracy. They do not want to see any more agencies. They do not want to see some 34 new Federal boards and commissions. They are concerned about just what 117 new mandates really mean, and the States are concerned because some of these mandates are directives to the States that are unfunded.

What the public really wants in a health care plan, in addition to cost control and availability, is the assurance that there is some accountability. You know how Government responds with accountability. Government runs off and hires more compliance officers in each agency as opposed to holding the head of that agency accountable for the actions of that agency.

And the public is concerned, of course, about the Government going

into the health care business. The point has been made sometime in this body that if you like the Post Office system in Washington, DC, you will love the Government once it takes over health care.

What can we learn from observation of our neighbors in Canada? We can learn some interesting things, Mr. President. One that strikes me is that approximately 21 percent of the budget in our neighboring nation of Canada is interest on their debt. What is that attributed to, Mr. President? That is attributed to escalating health care costs associated with the Canadian system.

They are also concerned with the realization that in Canada today, in Saskatchewan, many hospitals are being closed. Many Canadians come from Vancouver to Seattle, come from Toronto and other areas to Buffalo, NY, for health care simply because of availability and quality.

So as we embark upon this effort, Mr. President, let us keep in mind what the American public wants. They want availability. They want cost controls.

And the task before us is a monumental one in trying to achieve that. We are achieving that in the sense of working in a bipartisan manner for health care reform. But it is how we go about this task. And we must continually remind ourselves that good intentions are not enough, because good intentions will not make up for bad policies.

In our desire to improve access to what is already the highest-quality health care system in the world, we cannot afford to turn that system over to an army of bureaucrats and well-meaning idealists. We have to look very carefully at the reform proposals before us before we leap into a full-scale change.

What we want to do is obviously maintain the quality that we have and make the improvements when they are needed. But we do not want to throw out the baby with the bath water, so to speak.

The health care reform debate has evolved dramatically over the last 9 or 10 months. It is kind of interesting to reflect on the public approval of the President's reform proposal, because the fact is that public opinion for approval of the President's program has fallen steadily, as the implications of a major overhaul become more and more clear. As a consequence of this extended debate and the efforts of my colleagues to try to bring out the particulars, the public is beginning to understand and is becoming more concerned with availability and escalated costs and Government bureaucracy. And it has affected the President's reform proposal and its acceptance.

A majority of Americans now want incremental, targeted reforms or no reforms at all until we better understand the sweeping social changes that we are proposing.

The fact is that none of us can fully understand the implications of this legislation without this extended debate. The Clinton-Mitchell bill is predicted now to cost up to \$1.1 trillion over the first 8 years in new entitlement spending, becoming the third largest entitlement program in our budget.

How do we fund that, Mr. President? Well, if the past is any indication, we fund it by deficit financing. What is deficit financing? It is simply everything else you need to add to the deficit and you pay interest on it as part of the budget process. You could not do it with your own checkbook, Mr. President. But we can do it here in Government.

Have we not learned from the Medicaid and Medicare spending explosions of recent years that we cannot accurately predict the true burden of this massive new entitlement and what effect it is going to have on our future generations? We are mortgaging the future of our children and grandchildren, Mr. President.

The bipartisan Commission on Entitlement and Tax Reform, cochaired by my colleagues, Senator KERREY and Senator DANFORTH, reports that, by the year 2012, existing entitlements and interest on the debt will consume all of our Federal tax revenues.

Think about that for a minute. By the year 2012, existing entitlements—we are not talking about entitlements for health care—existing entitlements and interest on the debt will consume all of our Federal tax revenues.

Mr. President, you and I both know at that stage, we are broke.

A major new Government-run health care program will, in all likelihood, bring us to the point of national bankruptcy even sooner than the year 2012 if we do not address up front just how we are going to pay for it.

As Robert Samuelson of the Washington Post recently stated, the "something for nothing" deception being played out on the American people regarding new health care entitlements is an "exercise in national make-believe." Well, he is right on target, Mr. President.

The proposal before us would create at least 34 new or expanded federally run boards and commissions—and they cost money—to determine what benefits each American would be allowed, with the burden of implementing as many as 117—you have heard it before—new mandates passed on to individuals States. The bipartisan National Governors Association warns that:

Under this bill, States will take on significant new responsibilities to administer, monitor and enforce compliance of a new restructured health care system \*\*\* set entirely by the Federal Government. It is expected that States will have to administer \*\*\* but have little flexibility to set their own standards.

This is tragic, because States are the laboratories for change and innovation

in health care reform. It is critical that reform proposals recognize State autonomy and the need to be flexible.

My State of Alaska, for instance, is carefully considering comprehensive health reform legislation, and already has in place high-risk insurance pools to make insurance accessible to those who would otherwise be uninsurable under the current system. Alaska law currently prohibits denying coverage because of pre-existing conditions and we have established a Small Employer Reinsurance Association and several small business reinsurance pools. There is broad recognition, in my State, that some of the central principles being put forth in the Clinton-Mitchell plan, such as encouraging managed care models of health delivery, do not work in areas where there is limited or no access to even the most basic health care services. Alaska is not the only State with unique circumstances. Every State has unique qualities that can make Federal dictates counter-productive.

But the plan before us does more than establish new bureaucracies and State mandates.

While almost everybody agrees that one of the factors forcing health care costs up is the cost of litigation, it is my understanding that the Clinton-Mitchell bill actually provides funding for lawyers to help people sue their own States if, in fact, federally mandated health plans are not implemented properly. No wonder the American people are nervous.

The premise behind the bill is misguided. It proposes to meet the need of insuring the 37 million people in this country who do not currently have health insurance by providing a Federal subsidy to more than 100 million people. I cannot understand the logic behind creating an entitlement program that will cover more people than are now covered by Medicare, Social Security, and Medicaid combined in order to resolve the uninsurance problem for 37 million people, many of whom will find insurance on their own without Government assistance.

In creating this new system, the Clinton-Mitchell bill actually raises the cost of insurance to middle-income families. The bill raises the price of all insurance policies in this country by \$145 billion through a new taxes on, of all things, health insurance. Even the Congressional Budget Office [CBO] finds one of these taxes—the 25-percent tax on so-called high cost plans—so poorly designed that it will effect virtually all plans, and increase premiums so much that it will discourage participation in the health insurance market.

That is a diplomatic way of saying that the taxes in the Mitchell plan will force more people to become uninsured. What is even worse is that the health insurance plans that will pay the biggest tax are plans that insure a large

number of sick and old people, and efficient managed care plans. What is the logic of such an ill-conceived tax?

And while the middle class pays more taxes, others get a free ride. In fact, starting in the year 2002, if the employer mandate is triggered, it appears that the cost of health insurance for individuals will become free. It may surprise my colleagues to know that, but according to section 10135 of the bill, which deals with health insurance premium payments, it states: "In no case shall the failure to pay amounts owed under this Act result in an individual's or family's loss of coverage." In fact, the bill assumes that many enrollees will stop making payments and sets up a system known as the Collection Shortfall Add-On which will raise premiums for all participants in the plan to cover the cost of those who fail to make payments.

Mr. President, it is obvious to this Senator that many will simply not pay their health insurance premiums once they realize that their coverage cannot be canceled and they are assured that they will be covered for any health related expenses.

I believe there is a better alternative to the legislation before us. An alternative which would make great strides in providing access to care for the uninsured, without sacrificing individual choice, State flexibility or radically restructuring one-seventh of the American economy. I heard my thoughtful colleague, Chairman MOYNIHAN, comment on the floor last week that it would certainly be a shame if Congress did not at least act on those reforms which we know have a broad consensus of agreement—reforms such as making insurance portable, removing restrictions on preexisting conditions, voluntary insurance pooling for small business, and subsidies to help the most needy purchase private insurance. I agree. I think we may have lost sight of the areas where most of us agree, where we can tackle problems of rising costs and inadequate access today rather than spinning fragile webs of government run health care that don't go into effect for years down the line.

Mr. President, I want to comment on a critical area of our health care system that also tends to get lost in the shuffle in the debate over national health care reform—that area is our Federal medical programs. Today the Federal Government is not just a payer of health care bills, as in Medicare and Medicaid, but is also a direct provider of health care through programs in the Departments of Veterans' Affairs, and Defense, the Indian Health Service, and the Public Health Service. In Alaska, 34 percent of total health care spending is for Federal health programs. As the ranking Republican on the Senate Committee on Veterans' Affairs, I notice that these programs, and the lessons we can learn from them, have

largely been overlooked in the debate over reforming the private health care system.

As most of you know, the Department of Veterans Affairs [VA] health care system is the largest single health care system in the United States. The VA health care system consists of 171 hospitals, 353 outpatient clinics, 128 nursing homes, and 37 domiciliaries. The annual budget for VA health care is currently \$17.6 billion, which provides care for approximately 2.2 million veterans and employs over 209,000 health care workers. In addition to basic health care services, the VA provides specialty services like spinal cord injury, blind rehabilitation, post traumatic stress disorder and other mental health services, comprehensive homeless programs, and long-term care and geriatric programs. These are all excellent programs—their equals cannot be found in the private health care system.

Because of our commitment to our veterans, taxpayers have made a huge investment in VA health care, an investment that we do not want to waste. But proposed health reforms may well provide those who now use the VA with alternative choices of care—GAO predicted that if universal coverage was passed, up to 50 percent of current VA users would go elsewhere for care. The effect is that the VA will have to compete with other providers or die on the vine—to consolidate and better manage care or lose patients.

Unfortunately, the VA is not now in a position to compete—nor are they used to competition. The VA does not know basic cost and other information needed to establish premiums, sell services, or operate in other basic business ways. It will take 3 years before the VA has a system installed nationwide to determine even basic information on what it costs VA to provide specific medical procedures. The VA remains too facility oriented, as oppose to health care delivery oriented. It is burdened with underutilized inpatient hospitals, and lacks the outpatient capacity and the community presence to adequately meet the comprehensive needs of veterans and their families.

Until we know what final product Congress will produce, be it the Clinton-Mitchell plan, the Dole-Packwood plan, the Gephardt plan, or a little bit of everything, it is difficult for us to say what is needed for the VA. In the Veterans' Committee markup of VA health reform, I offered an amendment that would have delayed implementation of VA reforms until we knew what national health reforms looked like. While I did not succeed in passing this amendment, I believe its purpose still holds true—we are moving into uncharted waters.

The Mitchell health plan does not clear up any of these unknowns—in fact, it creates new ones. Under the

Mitchell plan, in order for veterans to receive a comprehensive benefits package, they would be required to enroll in a VA health plan. Core group veterans—such as the service-connected disabled and the poor—would receive free care. For veterans and their family members who have outside coverage, the VA would retain Medicare reimbursements and private third-party reimbursements. These reimbursements, in addition to regular health care appropriations, would supposedly pay for the comprehensive benefits for all core group veterans.

The problem is that there is no way to know if the increased reimbursements will offset the increased costs. There are currently 2.2 million users of the VA health care system. But as many as 7.5 million veterans would qualify for free care under the Mitchell plan. Most of these veterans do not currently use the VA system, but might if benefits were free. Third-party reimbursements and regular health care appropriations together may not be sufficient to cover the increase in enrollment and the extension of new, free benefits to those who are currently not eligible to receive them.

I am also concerned that, the Mitchell bill, on the one hand seems to create a new entitlement program for veterans health care, while, on the other hand, it also makes expenditures subject to the ordinary appropriations process. The effect is that the Mitchell plan could result in a reduction of care to veterans. If appropriated dollars were not sufficient to pay for each veteran's care, then all benefits would be reduced to make up the shortfall. In essence, a veteran signing up for a VA health plan that promises a certain level of benefits would not be assured that those benefits will remain available. Furthermore, veterans who now receive comprehensive benefits from the VA might see their level of care reduced. Again, we are speculating because we have no idea how many new users a VA health plan would attract into the system. But a thorough reading of the Mitchell plan would suggest that the so-called reformed VA health system could be detrimental to the VA by not even protecting the level of care certain veterans enjoy today. I understand that the majority leader and Senator ROCKEFELLER are considering an amendment to fix this problem and I look forward to seeing their solutions.

That said, there are simple ways that we can help VA run its programs to better serve veterans and not break the bank. Earlier this year, the Senate passed a bill to let the VA participate as a provider in States that are undergoing health reform. The point of this legislation is to free up VA facilities from VA Central Office control, to let them innovate, to contract freely for health care and other services, to give

directors of the medical centers more freedom from personnel regulations. In short, the pilot bill was designed to make VA more businesslike, more managed-care oriented, and therefore more competitive by placing considerable authority in the field. The Dole-Packwood proposal includes many elements of this proposal and would expand its scope to include any VA facility which wishes to participate in the plan, and allow the VA to collect from Medicare for non-core group veterans.

These reforms hold promise. Minnesota now allow any department or agency of the Federal Government to organize an Integrated Service Network to compete with other health plans in the state. The Minneapolis VA Medical Center currently leases excess space to a private HMO for an outpatient clinic. Montana is also studying ways to integrate Federal health programs like VA, IHS, DOD, and Public Health. And there are other examples of states that are moving on their own. We want VA to be able to adapt to these changes.

Mr. President, America's health-care system is the best in the world. It is the product of collective genius, scientific advancement, and modern technology, flourishing in America's private sector. There is no doubt that Government has aided and even fueled some of this progress, particularly in technology and science, but never before has government, especially the Federal Government, advocated to so directly manage the system, as the Clinton-Mitchell proposal would do, if it were to become law.

As many others have stated and written, this is a historic time for the Senate and for the country. I disagree, however, with the pundits and some of my colleagues who say that it is time to abandon America's privately managed health care system.

So we have many questions to answer with regard to the Mitchell bill, and just that one aspect of VA health care and how that is going to fit in as well. I could comment at great length as well on how the Indian Health Care Service is going to fit in to the proposed national health care plan because these, indeed, are going to provide groups that previously had utilized these systems exclusively with the opportunity to go out and have the choice of other alternative types of care.

In conclusion, let me say what we want to do is what is right for the American people. But the voters are going to be our judge. I fear the judgment will be harsh, should we take the wrong course at this time, a course that, once taken, cannot be reversed.

So I remind my colleagues the concerns of the American people, indeed, are health care reform but not at any price. Health care reform that addresses costs. Health care reform that addresses availability and portability.

Not an expanded bureaucracy, not a subsidy for 100 million American people. Not a program that establishes another 34 new Federal agencies. Not a program that establishes 117 mandates. And not a program that mandates to States certain policies that are unfunded.

The public is concerned about health care. The public is concerned about the bureaucracy. Let us address a pattern of uniformity here that addresses the concerns of the American people.

We should enact a bill that fixes what is wrong—and fixes only what is wrong. Let us not get in the way of what is right. Moderation and prudence are what the people expect of us, and no less. If we—with all good intentions—move America's wonderful, unique health care system down the road to a rationed, poor quality, one-size-fits-all system, what good have we done? Have we then fixed what is wrong or have we wronged a great system? Our voters will be our judge, and again, I fear that judgment will be harsh should we take the wrong course; a course that, once taken, cannot be reversed.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. DASCHLE. Mr. President, we made progress today. I think we can all be pleased at the passage earlier this evening of the Dodd amendment. It sends the right message as we begin debate about health care reform. It says to the country, it says to all of those who are watching, it says in particular to children that, indeed, they are a priority.

There is some symbolism in the passage of an amendment dealing with children as our first amendment, a statement that as we consider building a better health care system, we consider children. We are told they are 33 percent of our population but 100 percent of our future.

Just last weekend my oldest daughter had her birthday. She is now 23. I cannot think of a better present than to say to her and to say to all of those who are beginning their young adult lives: We can promise you a better future, a more secure future, a future with an appreciation for the importance of preventive care.

So as we begin this debate I hope it is an indication, not only of the symbolism that I believe it represents, but clearly a constructive beginning in a debate that ultimately will lead us to meaningful health reform.

Earlier today many assembled not far from here to remind all of us that as we now debate this issue, since the beginning of the debate, since the day the majority leader laid the bill down, 500,000 additional Americans lost their health insurance; 100,000 children were included in that 500,000 Americans. People from all over—people from Florida, people from South Dakota, people

who are wealthy, people who are not, people who are sick, people who are healthy—but 500,000, half a million people have lost their health insurance since this debate began. About 48 a minute now lose their health insurance.

During the time the Senate has been considering the children-first amendment, the amendment offered by the distinguished Senator from Connecticut, children, too, have continued to suffer.

In those 4 days, 2,544 babies were born to mothers who received late or no prenatal health care; 3,204 babies were born at low birth weight, which was less than 5 pounds; 224 babies died before they were 1 month old, just in the last 4 days; and 440 babies died before they were 1 year old just in the last 4 days.

So, Mr. President, this is a problem that ought to be very clear to all of us. The ramifications of failure are stark. These profound statistics speak with an exclamation point that we must deal with this issue effectively.

About 9 million children in the United States went without health insurance 2 years ago. It is about 15 percent of all the Nation's children. About 80 percent of uninsured children have at least one employed parent, and over the last 5 years, between 1987 and 1992, the number of children with employer-based coverage decreased by almost 5 percent. Children now under 21 comprise almost 30 percent of the population, but 36 percent of the Nation's uninsured. And that affects utilization.

Children without insurance are less likely than those who are insured to use the health services or to have any usual source of medical care. In 1992, the vaccination levels for children between the ages of 19 and 35 months of age were 83 percent for measles containing vaccines and diphtheria, tetanus and pertussis, DPT, shots and 72 percent for polio.

Three-fourths of the children in this country between the ages of 19 and 35 months were able to achieve some meaningful vaccination levels, but one-fourth did not. In 1990, an estimated 3 million children under the age of 6 had unacceptably high levels of lead in their blood. And as of June 30 of last year, over 4,700 children in the United States had been diagnosed with AIDS. AIDS is now the fastest growing cause of death for adolescents.

Deaths of children due to homicide have tripled since 1960, now becoming the fourth leading cause of death among children ages 1 to 9, the third leading cause for children ages 10 to 14, and the second leading cause of death for adolescents ages 15 to 19.

Every dollar spent on measles, mumps, rubella vaccine saves \$17.80 in direct health care costs according to the Department of Health and Human Services. It costs about \$20 for a doc-

tor's office visit to treat a child with strep throat, but thousands to hospitalize a child whose untreated strep throat develops rheumatic fever. Between 1989 and 1991, a measles epidemic struck over 55,000 Americans, more than 11,000 were hospitalized, costing lives and millions of wasted dollars.

An estimated 3 million children under the age of 6 had blood levels so high that CDC considered it dangerous.

So, it is very clear, the cost of preventive care has an astounding effect on the population, both in cost as well as healthwise. It returns tremendous investments to vulnerable children as well as their families.

Improving health of infants and children early and comprehensive prenatal care alone saves \$3 for every \$1 invested according to a study by Health and Human Services. Children who receive regular health screening, such as those provided through Early and Periodic Screening, Diagnosis and Treatment Program, have health costs 7 to 10 percent lower than other kids.

Cases of measles, polio and other diseases have decreased by over 99 percent since the introduction of vaccines.

The estimated benefit/cost ratio of vaccines—that is, dollars saved for every dollar spent—is over 21 to 1 for measles, mumps, rubella, and 30 to 1 for diphtheria-tetanus-pertussis. It is over 6 to 1 for polio vaccine.

So given these facts, it is very difficult for me, or anybody else, I am sure, to understand our country's acceptance of such large numbers of uninsured children and families today.

Yet, each year nearly one-half of all pregnant women go without health insurance at all. Nearly all of these are women in working families. About 5 million women have private insurance policies that do not cover maternity care, and so, therefore, pregnant women without health insurance are likely to have inadequate prenatal care, inappropriate arrangements for delivery and less than adequate care for their newborn babies.

Fifty-one percent of teen mothers and 24 percent of all mothers in the United States last year received inadequate prenatal care. There cannot be a better argument for the Dodd amendment. I am surprised, given all these statistics and given the ramifications of what the Dodd amendment could really do, that it was not 100 to 0 tonight.

Infant mortality in the United States has declined to 8.9 per thousand live births. The United States, however, still has a higher rate of infant mortality than 22 other industrialized countries, a rate more than double that of Japan. Over 90,000 babies were born to mothers who did not see a health care provider during pregnancy—90,000 just last year alone. These babies are three times more likely to be born with low birth weight than those whose mothers received a timely prenatal care.

Unfortunately, Mr. President, close to 40,000 infants die each year because their mother had no prenatal care and because there were complexities and difficulties that they did not anticipate because they had no place to go, because they had no insurance and no options. That is what we are talking about tonight: An opportunity for pregnant mothers, for families to say never again, to say at long last we are going to do what we said we were going to do for a long period of time. We are going to cover them right from the start. We are going to do what other industrialized countries have done now for so long. We are going to try to improve that infant mortality rate, we are going to do better than being number 22 and we are going to start doing it this year.

Mr. President, that is really what the Mitchell bill begins to do. It proposes that all children be covered with full coverage by the year 1997. Almost immediately it begins to cover 6 million children. It covers additional millions of families with children who would be given discounted premiums for the first time, premiums recognizing that prenatal care in that basic benefits package is so important to us and to all of those who are struggling today.

There are 2 million people who today are kept from obtaining health insurance because they have preexisting conditions, and the Mitchell bill says we are going to put an end to that. Upon passage of this legislation, that will no longer be allowed.

So all told, Mr. President, we add those who have no coverage, we add those who have some coverage but cannot afford the pregnancy care that ought to be in every plan, along with those who have preexisting conditions, and we now total more than 9 million children who ultimately, if this legislation passes, will be covered.

The coverage is designed for children with preventive services that include the immunization that I just discussed, with special services that recognize special needs, such as rehabilitation services for those who need them, an essential nutrition through the WIC program, recognizing first and foremost that with good health will come good nutrition, with good nutrition comes an opportunity to send the right message to young families today, that preventive care is dependent upon good nutrition, good meals, and healthy children.

Mr. President, the Dole bill leaves out more than 6.2 million children. If that bill were to pass, there would be no insurance for more than 6 million of the 9 million uninsured today. Lewin-VHI, the analytical firm in Virginia, upon whom we have turned on many occasions for good evidence or good analysis of what plans will do under different circumstances, has reported to us that the Dole bill, at most, covers

2.8 million of the current 9 million children who are uninsured. But by 1997, as I said, the Mitchell bill covers them all. Children under 19, pregnant women living in families with incomes below 185 percent of poverty will receive full premium subsidies. In other words, they will be given the full opportunity to acquire meaningful health care right from the beginning, phased in, as I said, through the year 1997.

Under Dole, however, the insurance companies will dictate which coverage children will have. Insurance companies would be in the driver's seat. They decide which benefits to cover and which to exclude. Therefore, many children will still be prevented from getting the well-child visits, the prescriptive medicines, or the preventive services that are so critical if, indeed, we turn around the statistics that I outlined just a moment ago.

Many children, though their parents' work, will continue to be excluded from coverage since parents will be covered by employee-only policies that do not cover dependents. But under the Mitchell bill, children are guaranteed solid coverage regardless of circumstances, regardless of for what employer their parents may work. Health plans cannot be terminated, limited, or restricted. They cannot charge more based upon a child's health status. Insurance companies cannot charge more for a medical condition. They cannot charge more for claims experience or a medical history. They cannot charge more if a child has a disability. Insurance companies have to treat all of our children the same. Nor can they limit, restrict, or terminate coverage, or charge more because a child has used a lot of health care services in the past for whatever reason.

The bill closes loopholes that leave children uncovered today. It spells out coverage for children even if they are adopted, even if they live with grandparents, even if they have stepparents or other guardians. In all circumstances, Mr. President, children are covered. The priority that we laid out in the Dodd amendment is extended, enhanced, and completely covers the children that are left out in the cold today. It guarantees that no matter what, we will have an insurance policy that at long last covers them all, regardless of circumstance, regardless of age, regardless of health.

The Dole bill provides no help for children in need of long-term care. It offers no new long-term program that provides for opportunities for children to live outside of institutions today. So without that opportunity to live in alternative care settings, many children under the Dole bill will be restricted to the institutions that they try to avoid now because they will have no other option.

But the Mitchell bill creates a new long-term care program that provides

individualized care for disabled children, provides for a Federal-State, home/community-based, long-term care program with emphasis on individual needs.

So here again, Mr. President, as we have talked about the many differences between the Dole bill and the Mitchell bill, there is a recognition of the stark difference. We have talked on many days now about why it may be that the Mitchell bill is twice as long as the Dole bill. Simply put, it does twice as much—for children, for seniors, for working families, for small businesses, for insurance reform and creating the opportunities to do the real kinds of things that we all say we want: Containing costs, providing good universal coverage, making sure that we have meaningful insurance reform, and doing the kinds of things that we have all spoken about the need for for many months now. That is what the Mitchell bill does.

So as I said at the beginning, Mr. President, we have made a good start today. We passed an important amendment. We recognize that there are 100,000 children today who had insurance when this debate began. How many more children will lose their coverage during the course of this debate? Will it be another 100,000, 200,000, a couple million? That all depends upon us.

When all is said and done, when we have an opportunity to say at long last to those who wait for action, to those who truly believe that we can solve this problem, let us answer affirmatively, let us say that what we did today is more than just symbolic; that, indeed, it is indicative of the kind of strong belief we must demonstrate that we can solve this problem for children, for families, for all Americans.

I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, what is the state of debate in the Senate at this moment?

The PRESIDING OFFICER. The 2-hour time period which had been allocated has expired. Any Senator is able to be recognized and to speak on the legislation.

Mr. GORTON. Mr. President, I ask unanimous consent to speak for roughly 10 minutes on a different subject, on the crime bill.

The PRESIDING OFFICER. The Senator has that right.

#### CRIME BILL CONFERENCE REPORT

Mr. GORTON. Mr. President, earlier today, the distinguished chairman of the Committee on Judiciary of the Senate spoke on the so-called crime bill which still is pending in the House of Representatives. The chairman stated that he could not understand why Republicans claimed that community

notification of sexual offenders was dropped from the conference report. The chairman claimed that the conference report does, indeed, include community notification.

So that I can be entirely accurate, I wish to quote briefly from the statement made by the distinguished chairman of the Judiciary Committee. He stated that the conference report, and I quote:

Requires the States to create registries of sex offenders; requires law enforcement to keep track of those offenders' whereabouts after the release from prison; and the provision explicitly permits law enforcement to give notice to the community to serve law enforcement purposes and to give the police immunity from releasing that information.

The chairman of the Judiciary Committee's attempt to correct the RECORD on the contents of the crime conference report, Mr. President, itself needs correction. As a sponsor of the community notification language legislation in the Senate that was attached by this body by unanimous consent, I totally and completely disagree with his statement. Instead of providing for notification to communities when convicted sexual predators are released from prison and into individual communities, the conference report provides for a section expressly establishing privacy protections for those very sexual predators.

And I want to state precisely what appears in the crime bill. Under the title "Privacy of Data," it says:

The information collected under a State registration program shall be treated as private data on individuals and may be disclosed only to law enforcement agencies for law enforcement purposes or to Government agencies conducting confidential background checks with fingerprints. A law enforcement agency may release relevant information concerning a sex offender required to register under this section when such release of information is necessary to carry out law enforcement purposes or to notify the victims of the offender.

Mr. President, if this were not so serious, that would be gallows humor. The only member of the public ever entitled to notification of the presence of the sexual predator is a victim of that offender, and that victim very frequently, Mr. President, is in fact dead. The general public has no such right under this legislation, and in fact, under these privacy provisions, the general public may not validly be given that information even presumably by the authorities of those States such as my own which already have such provisions in their law.

My amendment, adopted unanimously by this Senate in November of last year, entitled the "Sexually Violent Predators Act," the acceptance of which was instructed upon the House Members of the conference by a rollcall vote of 407 to 13, but which was dropped by the conference committee, is based on a successful registration and community notification law in the State of

Washington that has provided protection to countless potential victims of these monsters.

The community notification element, letting a community, a neighborhood know when these predatory men are released into their neighborhoods, is crucial to the success of preventing repeat offenses. Had such a provision been in effect in the State of New Jersey, the recent notorious and terribly regrettable Megan Kanka murder almost certainly would not have taken place. Her parents did not know that three sexual predators were living across the street from them, one of whom eventually brutally murdered that 7-year-old victim.

It is true that the conference committee report provided for registration and tracking of sexual offenders in a certain fashion. It failed to include language, however, expressly providing for the notification of the community without which the registration and tracking is almost useless. In fact, as I have already indicated, for all practical purposes, it forbade any such community notification except of previous victims, either already traumatized or perhaps dead.

The term "law enforcement purposes," which is included in the conference committee report, is not defined. Perhaps the chairman of the committee suggests that this includes the ability to notify the community of the presence of a released sexual offender. That certainly is not clear to this Senator, and certainly it should not ordinarily be included in a section, the title of which is "Privacy of Data." It would take enormously good faith for a law enforcement agency to believe that "law enforcement purposes" clearly permits community notification other than notification of a previous victim.

There is a phrase, a section on immunity, for law enforcement agencies for good-faith conduct in the conference report. But that immunity is going to be meaningless if the law enforcement agency goes beyond the explicit language of the act itself.

This was not the only thing that the conference committee did to strip the provision of any effective meaning for communities and for potential victims. It also weakened other sections of my amendment. Rather than requiring these repeat sexual offenders who, the chairman of the Judiciary Committee and I agree, often have the least possibility of rehabilitation, the least percentage record of rehabilitation of any of our major criminals, to register indefinitely and to verify their addresses every 3 months, the conference report limits the registration to an arbitrary 10-year period and only requires registration once a year. Again, Washington State and the other States that have adopted such provisions find that those provisions and the tightness of

those provisions are absolutely essential for success in monitoring these very, very dangerous criminals.

I believe, Mr. President, that we must be absolutely clear if we are going to provide law enforcement agencies with the authority and the direction to share this information, and if we are going to provide citizens with the protection that they need and deserve. And I believe that the rights of those peace-loving, law-abiding citizens and their children are greater than the privacy rights of convicted sexual predators.

We have to include expressed community notification provisions like those in the Senate amendment which was adopted on my suggestion here last November.

Let me tell you what people in the State of Washington think about these various provisions. Catherine Dodd, of Families and Friends of Violent Crime Victims, writes to me:

The highest obligation of our government is to protect its citizens. We ask that you do everything in your power to retain Senator GORTON's community notification provision for sexually violent predators. The Nation as a whole needs this provision.

Bob Ross of Citizens Against Violent Crime, writes:

We believe firmly the lives of our children will be saved if you support this measure. We ask that you please retain this provision regarding sexually violent predators.

And Kelly Rudiger of The Crime Victims Bureau writes:

A crucial component of the Federal crime package is the community notification provision for released sexual predators. Our organization is in support of this measure and requests that you retain this provision in the pending crime package.

All of that advice was ignored. Once again, the purpose of the amendment in the first place was to encourage the establishment of a national registration and tracking system so that interstate movement of these sexual predators could be followed, and then to see to it that communities and neighborhoods knew it when their new neighbors were released, convicted sexual predators.

My amendment did so by withholding a small amount of law enforcement money from the States that did not establish such a system. The conference report, on the other hand, gives the Attorney General complete discretion over whether a State can be denied these funds. They have far less incentive, therefore, to comply than they did under the original amendment.

Finally, the conference committee report does not make it clear whether or not States can take more significant and more drastic measures to notify communities. They need that authority very, very specifically.

Mr. President, notification of communities and the broad use of the knowledge about the presence of sexual predators was a vitally important part

of the Senate version of the crime bill. For reasons which are still obscure, in spite of instructions from the House of Representatives, it has been dropped from the present bill. It is one of the great shortcomings and great defects of the crime bill pending before the House of Representatives today.

The attempt by the chairman of the Judiciary Committee to justify what was done and to say that community notification remains in the bill, is simply incorrect. It is not there. To make this bill even remotely or minimally acceptable to many persons concerned with what happens to their children, concerns with the repeat sexual predator, it must be restored in its complete and in its original form.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Thank you, Mr. President.

I wanted to deal with the subject of health care. But since our distinguished colleague from the State of Washington talked a bit about the crime bill and his concern for a section of the bill that has to be strengthened, referring to notification of communities, that someone who has had a history of sexual attacks on young children has to be made public so that the people in the neighborhood can be aware, is a very important addition.

I was called today by the President of the United States—twice, as a matter of fact—and he announced that he was fully supportive of the so-called Megan Kanka law. He directed his call to me because I am from New Jersey where we have had two horrible incidents in very recent weeks where very, very young children were attacked by a depraved sexual predator who not only raped these children but killed them.

So our communities are on high alert, very nervous, and parents are concerned about what is happening. The President of the United States told me that he is determined to see that the crime bill includes a very strict notification process so people in the communities can be alerted to the danger that may exist for their children. So I was pleased to hear that discussion. I am fully supportive. Senator GORTON and I were the lead sponsors in this, and we intend to push it until it becomes a matter of law.

#### HEALTH SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. LAUTENBERG. Mr. President, I want to talk for a bit on the health care debate that has finally started. I am pleased to see that it has begun in seriousness. The moment has been a long time in coming.

Responding to the real needs of our people, the President and Mrs. Clinton

proposed that we add security, universality, and cost containment to the high quality that already characterizes our health care system for those who are covered. I must confess that my own personal experiences influence the way I look at this issue. One experience is defined by what I have now. As we all know, we in the Congress are covered by health insurance largely paid for by our employers and partially by ourselves, a good health insurance, paid for principally by the people we work for, the American people. That experience makes me think that we ought to give the American people what they now give to us: Quality health care any time it is needed at an affordable price.

The second experience, Mr. President, is defined by what I used to have. Back in 1943, after I had enlisted in the Army, before I ever heard of something called health care, my father was stricken with cancer. He was 42 years old. My parents worked hard. They did not have health insurance. It was fairly uncommon at the time. As my father's illness progressed, the bills mounted. After he died, when my mother was left with what to her were enormous hospital and doctor bills, she was not able to mourn free of her obligation, free of conscience; she was forced to worry about these bills at a time when she needed to try to adjust to her life as a 36-year-old widow—I was 18—she was forced to work two jobs to pay our debts. It took her almost 2 years, month by month by month, to finally put those bills behind her. I remember it vividly, Mr. President.

A third experience is defined by what I hear from the people of New Jersey. I have listened to families in their middle age trying to help their kids get a start in life, while at the same time still often having to bear the responsibility for their parents' medical bills, or even long-term nursing home care. They cannot make it, no matter how hard they work. I have listened to the small business people, who cannot afford to buy insurance for their own families, much less their employees.

I come from a business background, and I know how pained those business people are when they find out they cannot get insurance because of skyrocketing costs or preexisting conditions or a recent illness that sends premiums through the roof.

I have listened to seniors on fixed budgets, people who are watching every penny they spend, who are afraid they may need long-term care that they cannot afford, or who already cannot afford the medicines they need. They deserve better than that. I have listened to families who have no health insurance and heard them tell me that they cannot afford to take their kids to a doctor. They have few options. They can go down to an emergency room when the illness is acute, and wait in

line while everybody has their needs cared for.

Unfortunately, it is true there are 8 million American children who are not covered by some kind of a health care plan. They do not get regular check-ups. They need immunization. They cannot help themselves not be exposed to sickness or disease, because they are unable to get the traditional care that most of us are accustomed to in our own families.

No family should be forced to choose between putting food on the table and taking care of their children's health, or choosing between helping with a college education or health care, or jeopardizing their own retirement to take care of parents stricken with Alzheimer's disease. But that happens in New Jersey and in our country every day of the week.

Mr. President, that is what this debate is all about. It is listening and responding to the real needs of our people and being sensitive enough and committed enough to meet those needs by undertaking fundamental reform—reform that builds on the strength of our existing system and addresses its weaknesses.

And so, Mr. President, it has been said by many here that this truly is a historic debate. But it is not a debate about a radical notion. Over the past 60 years, comprehensive health care reform has been proposed three times and defeated three times. President Roosevelt first proposed it as part of the original Social Security Act, and then President Truman proposed it and, more recently, President Nixon proposed it, and that was some years ago. Each time it was offered, those who favored the status quo prevailed, and the Congress failed to act. And now our time has come.

I agree with the majority leader when he says that we ought to stay in session as long as it takes to enact a bill. I disagree with those whose goal it is to talk as long as it takes to kill this bill, to talk it to death, or threaten to bury us with a hundred amendments. Mr. President, that tells the American people a story. "We have 100 amendments," kind of cute with a twinkle in their eye. What is that saying? It is saying: We are going to derail this health train no matter what it takes to do it. That is the message. It does not say: We will put out 100 amendments because we want to improve the bill. It does not say: These 100 amendments are going to make sure everybody has care and the children are cared for, and we will give pregnant mothers prenatal care. It says: You bring up this health bill, and I am going to make sure it goes down.

I disagree with those people; I disagree with those who choose to deride

or scorn attempts to solve this problem, who trivialize the needs and concerns of the American people. They deserve an honest debate and a real decision, a vote on amendments, and a vote yes or no on the bill itself.

Mr. President, the health care debate has centered around two major issues: Security and cost. While almost 85 percent of Americans have some type of health care coverage, an enormous percentage of us are only one pink slip or one preexisting condition away from losing that coverage. People should not lose their health insurance because they change jobs or because they become unemployed. They should not lose their health insurance because they get sick, and they should not have to pay more for insurance for these reasons.

There are 37 million Americans—over 800,000 in my State of New Jersey—who do not have health insurance coverage. Mr. President, it is important to understand something about the uninsured. They are just the homeless and the unemployed, the other people who drift around the edges of our society; they are our neighbors, they are our friends, and they are us.

Approximately, 84 percent of the uninsured work full or part time. These are people who play by the rules, work hard for a living, pay their taxes and are forced to wait to be treated in emergency rooms or go without care altogether. They have not failed to be responsible; the system has failed to respond to them. That is not what America is about.

Mr. President, perhaps the most unfair thing about our current health care system is this: both the very poor and the rich have health insurance. The rich typically get access to health insurance through their employment or their own wealth; the poor get access to health insurance through Medicaid. It is the rest—in my State, people with incomes up to \$60,000 per year—that make up the bulk of the uninsured. We have created a system which provides health security to the rich and the poor, but not for middle class, not for ordinary working Americans.

If we are to continue to reduce the Federal deficit in a meaningful way, we must control health care costs. And the only way to do that is through real and comprehensive health care reform.

And it is not just the Federal budget that is affected—it is the family budget as well. Last year, the average American family spent approximately \$5,000 for health care. This is three times the amount they paid in 1980. If we do nothing, our families will spend approximately \$10,000 annually in the year 2000 for health care coverage.

Now, Mr. President, it is obvious to me that we have three choices.

First, we can do nothing—just leave things as they are.

Second, we can adopt a bill that Senator DOLE has proposed, which makes some needed reforms in the system but still leaves 20 to 25 million Americans uninsured. Third, we can move toward universal coverage by adopting legislation that not only reforms the insurance system, but contains costs and provides affordable access to care for the uninsured, the self-employed, and small businesses.

Doing nothing is unacceptable. It also cost too much.

National health care spending has grown by over 10 percent per year for the last 10 years. In 1994, we are projected to spend almost \$1 trillion dollars on health care—approximately 14 percent of our Gross Domestic Product [GDP]. As bad as that is, it gets worse in the future. If we do not act now, then by the year 2003 we will be spending twice that much \$2 trillion per year on health care, 20 percent of our GDP. In 1980, health programs consumed 16 percent of the Federal budget. Left alone, by 1998 they will be 35 percent of Federal expenditures.

One of the problems we have in the present system is called "cost shifting." That simply refers to the fact that you and I pay the costs that hospitals and doctors shift to patients with insurance in order to cover the cost of their unreimbursed care. So if you are working, and you and your employer are paying for health insurance, you are not only paying for your own health care, you are also paying for those without health insurance. The only way to prevent that—the only way to keep your premiums affordable and fair, is to cover everyone.

And when we cover everyone—which the Dole plan does not do—people will get the care they need sooner, before illnesses become more acute, more difficult to treat, and more expensive to cure. Those 20 to 25 million Americans the Dole plan leaves out will increase the costs that you and I pay as health care costs continue to climb.

The third alternative is to move toward universal coverage, which is what the President proposed and what Senator MITCHELL is aiming for.

Senator MITCHELL's plan is simpler and less bureaucratic than that which was originally proposed by the President. It builds on our private system of health care delivery and insurance. It preserves patient choice and provides a cushion for small businesses and less affluent Americans seeking to insure themselves and their employees. It would stop the kind of cost shifting we now experience, and put an end to the insured picking up the tab for the uninsured. It seeks to cover at least 95 percent of all Americans by the year 2000; the Congressional Budget Office has confirmed that the bill should reach that target.

This bill will move toward universal coverage more slowly than the Presi-

dent's original, because it depends more on reform of the insurance system and competition in insurance rates rather than taxes and bureaucracy. But it does promise to extend quality health care to our people at affordable prices, whether they work for a large corporation, a small company, or are self-employed.

If these reforms do not achieve the goal of health insurance for 95 percent of the citizens in each State by the year 2000, the Congress will be required to find additional ways to expand coverage or employers will be asked to share in the responsibility of providing health care insurance. Small business will be exempt.

Mr. President, while I support the general approach of Senator MITCHELL's bill, I do want to highlight at least two areas where further review is needed.

First, the bill contains a new tax which would be imposed on higher cost health care plans. While I understand that this measure is included in this bill to help contain costs, I feel it is a punitive charge which is unnecessary and unfair to workers who have chosen jobs with generous health benefits in lieu, perhaps, of higher wages. It is also unfair to high cost States, where premiums and health care costs tend to be higher. If we have to raise new revenues—estimated to be \$35 billion over 5 years—I think there are better ways to do it.

For example, I would like to increase the cigarette tax. A recent study revealed that smoking related illness costs Federal and State governments \$21 billion a year. The tobacco industry should help pay for those costs rather than the taxpayer. The same can be said of an ammunition tax. Gun related injuries impose a heavy cost on our health care system and fill our emergency rooms. All of us pay those costs. It would be more appropriate for those who profit from firearms and ammunition to share in paying for the costs they impose on society than for average Americans to pay a tax on their health care plans.

My second major concern relates to the failure to include a regional cost adjustment in the formulas in this bill so that the assistance provided to individuals and small businesses is indexed to the cost-of-living in a State. Recent figures in the New York Times listed New Jersey, along with only two other States—Hawaii and Alaska—as having a cost of living which is 20 percent or more above the national average. The relative cost of living should be taken account of in providing assistance under Federal programs for citizens of each State.

I have joined with Senator LIEBERMAN in calling for indexing of certain Federal programs to take account of the cost of living in each State. Senator MOYNIHAN, the chairman of the Senate Finance Committee,

is working on a proposal to introduce a cost-of-living adjustment into health care reform. I strongly support his efforts. New Jersey has suffered from a low return on our Federal tax dollar because of the relative affluence of our citizens. Adjusting Federal formulas to take into account the cost of living in a State makes sense and would help address this inequity.

Mr. President, while we debate health care policy, we have to remember that more than "policy" is involved here. People are involved. People who need health care. We all want to make sure that our families have health care, our mothers and fathers, children, and grandchildren—because everyone gets sick.

We have made enormous progress since 1943 when my father died. Now 85 percent of our population has health insurance. Our seniors have Medicare, the poor have Medicaid and many of us have private health insurance. But we have left a segment of society behind without health security. They are in the same situation my mother was in over 50 years ago. For the most part, they work, pay taxes, raise their families, and play by the rules. But they lack health care coverage through no fault of their own. They deserve better than what our current system provides.

Mr. President, I hope that at the end of this debate, Congress will approve a bill that moves us toward universal coverage and that President Clinton will sign it. It will be a great day for America. I look forward to working with my colleagues to accomplish this goal.

I yield the floor.

#### MORNING BUSINESS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that there now be a period for morning business, with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### THE U.N. OFFICE OF INTERNAL OVERSIGHT SERVICES: A CRITICAL EVALUATION

Mr. PRESSLER. Mr. President, over the last several weeks, I have raised many concerns regarding the management problems at the United Nations. On July 29, 1994, the U.N. General Assembly adopted a resolution to create a reform office charged with the cleanup of U.N. management and budgetary malfeasance. Repeatedly, I have waged my concerns about this office [OIOS]. I do not believe that the OIOS will possess the independence necessary to offer true reform at the United Nations.

Recently, former U.N. Ambassador Jeane Kirkpatrick wrote an editorial in the Washington Post critical of this

OIOS. I agree wholeheartedly with her assessment of the office as well as an assessment offered by the editorial board of the Washington Times newspaper. Additionally, the U.N. Association documented the events leading up to the U.N. adoption of the resolution mandating the creation of the OIOS in its weekly report. I ask unanimous consent to place these articles in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 28, 1994]

AT THE U.N., DISPENSING WITH REFORM

(By Jeane Kirkpatrick)

How, you may wonder, could an organization acquire 850 minibuses that it did not need, buy a water purification system that never worked, purchase dozens of extremely expensive computers that never were used and hire highly paid, top-level bureaucrats for nonexistent jobs?

These and dozens of similar things can happen because efficiency is not a central value at the United Nations. Reform is not popular in this culture that features high salaries and lifestyles like those of the rich and the famous.

Waste, fraud, double-dipping, overstaffing and mismanagement have dogged the United Nations from its founding. By now these practices are habits in an organizational culture that protects mismanagement in the name of multiculturalism and sees efforts at reform as hostile to the organization.

The last two Americans who made a serious effort at reform (Richard Thornburgh and Melissa Wells) were forced out of the U.N. system, their recommendations ignored, their efforts unappreciated. The report of former U.S. attorney general Thornburgh on mismanagement was shredded on the instructions of the secretary general, but a few copies survived and circulate today in Washington and New York. And of course, the abuses Thornburgh described persist.

Over the years, various parts of the U.S. government have tried various tactics to deal with the waste, fraud, mismanagement and sexism endemic in the U.N. system. In the '80s the "Kassebaum Amendment" (by Sen. Nancy Kassebaum, R-Kan.) successfully used the threat to withhold 20 percent of U.S. regular contributions to gain some reform in the United Nations' budget-making process. It was a step, but only a step.

President Clinton made a personal appeal to the General Assembly for appointment of an independent inspector general with broad investigative powers. Clinton's long-delayed presidential decision directive on peacekeeping noted its concern that the United Nations "has not yet rectified" management deficiencies, and promised the administration would work for "dramatic" improvements in management of the U.N. system, beginning with the "immediate establishment of a permanent, fully independent office of Inspector General with oversight responsibility that includes peacekeeping."

The Clinton administration's top U.N. delegate, Ambassador Madeleine Albright, warned the U.N.'s Fifth Committee that "poor management can be the Achilles' heel of the United Nations," saying, "I cannot justify to the taxpayers of my country some of the personnel arrangements, the sweetheart pension deals, the lack of accountability, the waste of resources, the duplication

of effort and the lack of attention to the bottom line that we often see around here." Of course, she was right. Such practices cannot be justified to taxpayers whose hard-earned dollars are being wasted.

Albright, too, called for establishment of an independent inspector general's office. But no serious move was made toward establishing the post until a bipartisan coalition in the U.S. Congress passed the "Pressler Amendment" (so called for its author, Sen. Larry Pressler, R-N.D.), which put teeth in the request. Failure to establish "an independent and objective office of Inspector General" by the end of July would result in the United States withholding 10 percent of its total (non-peace-keeping) contributions (\$420 million) for fiscal 1994, and 20 percent in fiscal 1995.

The Pressler Amendment got the attention of the General Assembly, which negotiated a resolution it hopes will satisfy Congress. But the resolution calls for an inspector general who would not be independent. Instead the "compromise" provides for an inspector general appointed by the secretary general on the basis of geographical rotation and expertise, who will report to the Secretariat and can be fired by the secretary general with the approval of a majority of the General Assembly. It also does not give the inspector general an independent budget, or jurisdiction over all U.N. agencies or broad investigatory powers.

U.S. negotiators, it is reported, tried but failed to win greater independence for the proposed inspector general and lacked the time to achieve more.

One might have thought the General Assembly would feel the pressures of time more acutely than the U.S. team. But this team cannot bear the thought of withholding \$420 million from its U.N. contributions and is acutely uncomfortable with threats of punitive action. So the Clinton team at the United Nations is doing what the Clinton administration so often does in its foreign policy: It is making major concessions to reach an agreement that does not really achieve the administration's goals, then presenting that agreement as a victory and further undermining U.S. credibility in the process.

Apparently the Clinton team would rather offend Congress than U.N. colleagues. The General Assembly's "acceptance" of the terms of the Pressler Amendment is rather like the Serbs' "acceptance" of the last peace plan for Bosnia. It offers the form but not the substance of compliance—and hopes that Congress did not really mean it.

[From the Washington Times, August 2, 1994]

#### HALF A NEW BROOM FOR THE UNITED NATIONS

Last year, when the United States pulled out most of our troops from Somalia, the idea was that U.N. troops would take over the task of peace keeping. That's generally the scenario these days, whether the talk be of Rwanda or Haiti. It's a solution that has the appeal of promising Western powers like the United States or France a way out of a quagmire they do not particularly want to get stuck in. However, what happened in Mogadishu suggests the limitations of this approach. No sooner had the Americans turned over the operation than it was discovered that Egyptian troops guarding a U.N. depot were allowing Somalis to walk in and remove whatever objects they liked.

The instance is not an isolated one, of course. Last year, former Attorney General Richard Thornburgh produced a report on the staggering waste, fraud and corruption going on at the United Nations, based on his

stint there as undersecretary general for administration and management. Now, Mr. Thornburgh did not set out to produce this document as an enemy of the organization, but rather as someone who would like to see the United Nations saved from itself. He suggested that an important step would be to institute an office of inspector general to monitor the United Nations' many far-flung operations and vast, sprawling bureaucracy—according to the best estimates available, some 50,000 people, though no one knows for sure.

At the time, Mr. Thornburgh's recommendations did not evoke much of a response. In fact, he never received an official reply from U.N. Secretary General Boutros Boutros-Ghali. Nor was the report distributed in the organization. Most of the copies there were reportedly shredded. "This is not an institution that takes kindly to criticism," he told *The Washington Times'* editorial page. No, indeed.

An amendment offered by Sen. Larry Pressler, Republican of South Dakota, in July to the Foreign Operations Appropriations bill seems to have had more of an impact. Mr. Pressler proposed to withhold 10 percent of the U.S. contribution for 1994 and 20 percent for 1995 unless President Clinton by Sept. 30—the end of the fiscal year—can show that the United Nations has established an office of inspector general. Accountability for American taxpayers' money, and a lot of it, too, is what the Pressler Amendment is all about.

This Saturday, the U.N. General Assembly voted to give Mr. Pressler some of what he wanted. It agreed to establish an office of Internal Oversight Services, the head of which would serve one five-year term and hold the rank of undersecretary general.

While this is certainly a step on the right direction, it is a step that does not go far enough. A real question remains on how independent this office will be. This is not so much because, according to the resolution adopted, the inspector general can be removed by the secretary general backed by a vote in the General Assembly. Such a move, if politically motivated, would meet with an outcry from major donor nations. No, the problem is that the office will not be independently funded, but be part of the budget drawn up by the secretary general. That gives him considerable power over its operations.

It's too early for the White House to declare victory in the debate over the U.N. inspector general. If Mr. Clinton believes the United Nations to be as important as he says he does, he'll have to send his negotiators back to the bargaining table.

[From U.N. Association, Washington Weekly Report, July 22, 1994]

#### SENATE ADOPTS AMENDMENT RESTATING U.S. POSITION

(By Jeffrey Larenti)

Reacting to reports to an impending breakthrough in the negotiations in New York, the Senate on 14 July adopted an amendment to the foreign assistance appropriations bill, H.R. 4426, that restates US requirements for the creation of an independent Office of Inspector General (OIG). Sen. Larry Pressler (R-SD), who led the successful effort to mandate the withholding of some US assessed contributions to the UN regular budget and peacekeeping operations unless the inspector general's office were created, told the Senate that the new post "would not be independent. This is an unequivocal violation of the language in the Foreign Relations Author-

ization Act (Public Law 103-236, Section 401)," he said. Pressler called on the Senate to adopt the amendment restating the US position to show that "the United States will not stand idly by while the United Nations slaps us in the face."

In a related development on the same day, Pressler and two Republican colleagues, Sen. Robert Dole (R-KS), the minority leader, and Sen. Jesse Helms (R-NC), senior minority member of the Foreign Relations Committee, dispatched a letter to US Permanent Representative Madeleine Albright insisting on a "stringent" interpretation of the criteria in the foreign relations authorization act, which they said "the terms of the draft resolution do not currently meet." According to the signers, "The terms establishing the office must demonstrate unequivocally the independence of the OIG and define clearly its specific oversight activities." They concluded, "The stakes are high, the opportunity fleeting. Without significant and immediate action to improve the efficiency of UN operations, congressional willingness to fund UN activities will diminish further."

#### SEEN AS CLINTON ADMINISTRATION SUCCESS

In New York, the creation of the inspector general post in the face of deep suspicion of Washington's motives was credited by many UN delegates as a significant success for the Clinton Administration. During the Negotiations, UN delegates frequently expressed exasperation over perceived divergences in positions within the United States Mission to the United Nations, and they complained of uncertainty about whether they were getting the views of the US Government or the Clinton Administration's critics on Capitol Hill. The resolution's drafters took much of its language from US law and US position papers in order to ease the certification the President is required to make to Congress.

#### LABOR RESEARCH CENTER CELEBRATES 10TH ANNIVERSARY

Mr. PELL. Mr. President, I would like to pay tribute today to one of the great educational and research facilities in the State of Rhode Island, the Labor Research Center at the University of Rhode Island.

This year marks the 10th anniversary of the founding of the Labor Research Center. The center is dedicated to teaching, research, and service programs on labor, the labor market, and labor relations.

In these last 10 years the Labor Research Center has flourished and is now considered one of the Nation's premier centers for the study of labor/management relations. Since its creation in 1984, the center has had 624 students enrolled for graduate courses who had previously studied at undergraduate institutions in 7 foreign countries, 14 States and Puerto Rico. The student body has included recent college graduates, government employees, managers in private enterprise, and many involved with labor unions.

The distinguished faculty, including Dr. Diane Disney, who has taken a leave of absence to serve as Deputy Assistant Secretary of Defense, research issues ranging from the working class

during the Gilded Age to work/family conflict in the present day. Especially important to the creation and success of the Labor Research Center is center director and professor of industrial relations Ted Schmidt. Mr. Schmidt worked for 12 years for the creation of the Labor Research Center and continues to lead the center and provide undying support for the faculty.

In this age of budget cuts and funding reductions it is good to hear about an educational and research program that has thrived. So on this the 10th anniversary of the Labor Research Center, I commend the students and faculty on their success and thank them for the service they are doing for labor and business.

#### NAMING OF VETERANS' ADMINISTRATION BUILDING AFTER THE HONORABLE CLAUDE HARRIS

Mr. HEFLIN. Mr. President, I rise today in support of the bill offered by my Alabama colleague, Senator RICHARD SHELBY. This bill, which designates building No. 137 at the Tuscaloosa Veterans Center be named after the Honorable Claude Harris, Jr., deserves the full support of the Senate.

Claude Harris, Jr., was born in Bessemer, AL, attended the University of Alabama, and became assistant district attorney for Tuscaloosa at the tender age of 25. He later served as a circuit judge and was presiding judge of Alabama's sixth circuit for 1980-83. He was a practicing attorney from 1985 through 1987, when he began his first term in Congress. He is currently serving as the U.S. Attorney for the Northern District of Alabama. I would also like to add that he is a colonel in the Alabama Army National Guard, of which he has been an active member since 1967.

Congressman Claude Harris of Alabama's Seventh District retired in January, 1993, after serving in the House of Representatives for 6 years. During his three terms he accomplished much for his district and the Nation's veterans. I can safely say that Alabama's veterans know Congressman Harris to be a true friend. As an outspoken member of the House Veterans' Affairs Committee and third ranking Democrat on its Hospitals and Health Care Subcommittee, the work he did was instrumental in preserving the funding for, and enhancing the quality of veterans health care facilities.

Because of these years of service, I feel that the naming of this soon to be completed building at the Tuscaloosa Veterans Center is a fitting tribute to a great man and a great friend. I hope all my colleagues will join me in this small expression of gratitude and support this bill.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## MESSAGES FROM THE HOUSE

At 11:57 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4907. An act to reform the concept of baseline budgeting.

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 1406. An act to amend the Plant Variety Protection Act to make such act consistent with the International Convention for the Protection of New Varieties of Plants of March 19, 1991, to which the United States is a signatory, and for other purposes.

## ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 2:15 p.m., a message from the House of Representatives, delivered by Mr. Hays, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 2099. An act to establish the Northern Great Plains Rural Development Commission, and for other purposes.

S.J. Res. 153. Joint resolution to designate the week beginning on November 21, 1993, and ending on November 27, 1993, and the week beginning on November 20, 1994, and ending on November 26, 1994, as "National Family Caregivers Week."

S.J. Res. 196. Joint resolution designating September 16, 1994, as "National POW/MIA Recognition Day" and authorizing display of the National League of Families POW/MIA flag.

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore (Mr. BYRD).

At 6:17 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 2178) to amend the Hazardous Materials Transportation Act to authorize appropriations for fiscal years 1994, 1995, 1996, and 1997.

The message also announced that the House agree to the amendments of the

Senate to the bill (H.R. 2815) to designate a portion of the Farmington River in Connecticut as a component of the National Wild and Scenic Rivers System.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4539) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President and certain independent agencies, for the fiscal year ending September 30, 1995, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two House thereon; and appoints Mr. HOYER, Mr. VISCLOSKEY, Mr. DARDEN, Mr. OLVER, Mr. BEVILL, Mr. SABO, Mr. OBEY, Mr. LIGHTFOOT, Mr. WOLF, Mr. ISTOOK, and Mr. MCDADE as the managers of the conference on the part of the House.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 4812) to direct the Administrator of General Services to acquire by transfer the old U.S. Mint in San Francisco, CA, and for other purposes.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3216. A communication from the Administrator of the General Services Administration, transmitting, a draft of proposed legislation to require executive agencies to verify for correctness transportation charges prior to payment, and for other purposes; to the Committee on Governmental Affairs.

EC-3217. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the 1994 Federal Financial Management Status Report and Five-Year Plan; to the Committee on Governmental Affairs.

EC-3218. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a copy of D.C. Act 10-323 adopted by the Council on June 21, 1994; to the Committee on Governmental Affairs.

EC-3219. A communication from the Secretary of Labor, transmitting, pursuant to law, the report of an evaluation of the pilot program of off-campus work authorization for foreign students; to the Committee on the Judiciary.

EC-3220. A communication from the Director of Communications and Legislative Affairs, Employment Opportunity Commission, transmitting, pursuant to law, the report of the Office of Program Operations for fiscal year 1993; to the Committee on Labor and Human Resources.

EC-3221. A communication from the Secretary of Labor, transmitting, pursuant to law, the annual report for fiscal year 1993; to the Committee on Labor and Human Resources.

EC-3222. A communication from the Comptroller General, transmitting, pursuant to

law, the report of proposed and enacted rescissions through June 1, 1994; referred jointly, pursuant to law, to the Committee on Appropriations and to the Committee on the Budget.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BREAU:

S. 2392. A bill to amend section 18 of the United States Housing Act of 1937, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 2393. A bill to eliminate a maximum daily diversion restriction with respect to the pumping of certain water from Lake Powell, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CAMPBELL:

S. 2394. A bill to establish a National Physical Fitness and Sports Foundation to carry out activities to support and supplement the mission of the President's Council on Physical Fitness and Sports; to the Committee on Labor and Human Resources.

By Mr. RIEGLE:

S. 2395. A bill to designate the United States Federal Building and Courthouse in Detroit, Michigan, as the "Theodore Levin Federal Building and Courthouse", and for other purposes; to the Committee on Environment and Public Works.

By Mr. LOTT:

S. 2396. A bill entitled the "Affordable Health Care Now Act"; read the first time.

By Mr. SHELBY (for himself and Mr. HEFLIN):

S. 2397. A bill to designate Building Number 137 of the Tuscaloosa Veterans' Medical Center in Tuscaloosa, Alabama, as the "Claude Harris, Jr. Building"; to the Committee on Veterans Affairs.

By Mr. SIMON (for himself and Ms. MOSELEY-BRAUN):

S. 2398. A bill to establish the Midewin National Tallgrass Prairie in the State of Illinois and for other purposes; to the Committee on Armed Services.

By Mr. EXON:

S. 2399. A bill to promote railroad safety and enhance interstate commerce; to the Committee on Commerce, Science, and Transportation.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BREAU:

S. 2392. A bill to amend section 18 of the United States Housing Act of 1937, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

## PUBLIC HOUSING LEGISLATION

• Mr. BREAU. Mr. President, today I am introducing a bill in the Senate that will promote the restoration and availability of affordable housing in this country in a cost-effective way. At the same time, it will protect the right of low-income tenants to affordable housing. A companion provision is included in the recently passed Housing

and Community Development Act of 1994, section 124, H.R. 3838, in the House of Representatives.

The objective of this bill is to build flexibility into any day-to-day applications of the so-called one-for-one-law. The essence of the rule is that for every demolished or otherwise disposed of public housing unit a new unit must be built. In practice, in an era of prolonged scarcity in Federal funding and changing urban housing demographics, this law forces the Housing and Urban Affairs Administration [HUD], to pour large sums of money into renovating run-down public housing projects when it would be less costly in many cases to tear them down and start over. That is the case at some public housing projects in New Orleans, LA.

As described in a July 25, 1994, New York Times article by Adam Nossiter, "Rule Pumps Dollars Into Decayed Housing," the impact of the rule at a housing project in New Orleans, LA, is repeated in housing projects around the country. The article relates particularly severe problems in Newark, Cleveland, and Washington, DC. Mr. President, I ask that the full text of this article, and that the entire bill be printed in the RECORD.

According to the Times, a renovation of one New Orleans project will cost \$14 million more than costs of tearing it down. But you guessed it, Mr. President, work is already underway on plans to renovate that housing project at a cost of \$90 to \$100 million.

Under present law, HUD is handicapped if it finds that it is more cost-effective to tear-down public housing than renovate it in its entirety. Mr. President, a law that at one time may have been necessary to preserve public housing stock, makes less sense in circumstances such as those surrounding the Desire Public Housing Project in New Orleans. Three thousand people live in a project designed for 6,000 or more; and, as reported by the New York Times, the housing vacancy rate in New Orleans, at 16.6 percent, is the highest in the country.

Mr. President, there are other reasons why HUD should hesitate to pour large sums of Federal dollars into rebuilding some housing projects. Many projects were originally built as segregated colored housing. As described by the Times, "The Desire Housing Project in New Orleans is located 2 miles east of the French Quarter, and is cut off from the city by two sets of railroad tracks, the New Orleans Industrial Canal and acres of warehouses and factories. The irony of Desire is that its location is not a desirable area for any residential community. Moreover, there were 86 murders in the complex from 1989 to 1993, more than in any of the city's other housing projects in the same period, even though some of the others are larger."

Mr. President, the chairman of the Subcommittee on Housing in the House

of Representatives, Representative COLLIN C. PETERSON, visited the Desire Project this year, and I commend his legislative efforts to make the one-for-one-law effective in today's circumstances. That legislation, which I am introducing in the Senate today, is a workable solution to a very serious problem.

This bill presents carefully developed procedures that will permit a public housing agency to apply to the Secretary of HUD for approval to demolish or dispose of all or parts of a federally assisted public housing project. At the same time, its provisions will protect an adequate supply of public and affordable housing for low-income Americans. Mr. President, it also protects the right of displaced tenants to assisted relocation to decent, safe, sanitary, and affordable housing. Moreover, any public housing agency's plan to demolish or otherwise dispose of public housing must be developed in consultation with tenants and tenant councils.

Mr. President, we need this important legislation, and I urge my colleagues to join me in sponsoring this bill.

I ask unanimous consent that the accompanying article and the full text of my bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2392

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

# SECTION 1. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

Section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p) is amended to read as follows:

## "SEC. 18. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

"(a) CONDITION OF HOUSING.—The Secretary may approve an application by a public housing agency for permission to demolish or dispose of a public housing project or a portion of a public housing project only if the Secretary has determined that—

"(1) in the case of—

"(A) an application proposing demolition of a public housing project or a portion of a public housing project, the project or portion of the project is obsolete as to physical condition, location, or other factors, and it is more cost effective to replace the project or portion of the project than to rehabilitate the project or portion of the project; or

"(B) an application proposing the demolition of only a portion of a project, the demolition will help to assure the remaining useful life of the remaining portion of the project;

"(2) in the case of an application proposing disposition of real property of a public housing agency by sale or other transfer—

"(A)(i) the property's retention is not in the best interests of the tenants or the public housing agency because—

"(I) developmental changes in the area surrounding the project adversely affect the health or safety of the tenants or the feasible operation of the project by the public housing agency;

"(II) disposition will allow the acquisition, development, or rehabilitation of other prop-

erties which will be more efficiently or effectively operated as low-income housing and which will preserve the total amount of low-income housing stock available in the community or housing sufficient to address the needs of the community as described in the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; or

"(III) because of other factors which the Secretary determines are consistent with the best interests of the tenants and public housing agency and which are not inconsistent with other provisions of this Act; and

"(II) for property other than dwelling units, the property is excess to the needs of a project or the disposition is incidental to, or does not interfere with, continued operation of a project; and

"(B) the net proceeds of the disposition will be used for—

"(i) the payment of development costs for the replacement housing and for the retirement of outstanding obligations issued to finance original development or modernization of the project, which, in the case of scattered-site housing of a public housing agency, shall be in an amount that bears the same ratio to the total of such costs and obligations as the number of units disposed of bears to the total number of units of the project at the time of disposition; and

"(ii) to the extent that any proceeds remain after the application of proceeds in accordance with clause (i), the provision of housing assistance for low-income families through such measures as modernization of low-income housing, or the acquisition, development, or rehabilitation of other properties to operate as low-income housing; or

"(3) in the case of an application proposing demolition or disposition of any portion of a public housing project, assisted at any time under section 5(j)(2)—

"(A) such assistance has not been provided for the portion of the project to be demolished or disposed of during the 10-year period ending upon submission of the application; or

"(B) the property's retention is not in the best interest of the tenants or the public housing agency because of changes in the area surrounding the project or other circumstances of the project, as determined by the Secretary.

"(b) TENANT INVOLVEMENT AND REPLACEMENT HOUSING.—The Secretary may approve an application or furnish assistance under this section or under any other provision of this Act with respect to the demolition or disposition of public housing only if the following requirements are met:

"(1) TENANT CONSULTATION AND EMPLOYMENT.—The application submitted by the public housing agency—

"(A) has been developed in consultation with tenants and tenant councils, if any, who will be affected by the demolition or disposition;

"(B) includes a plan to employ public housing tenants in construction or rehabilitation, to the extent practicable, pursuant to section 3 of the Housing and Urban Development Act of 1968; and

"(C) contains a certification by appropriate local government officials that the proposed activity is consistent with the applicable comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act.

"(2) RELOCATION ASSISTANCE.—All tenants to be relocated as a result of the demolition or disposition will be provided assistance by the public housing agency and are relocated

to other decent, safe, sanitary, and affordable housing, which is, to the maximum extent practicable, housing of their choice, including housing assisted under section 8.

"(3) REPLACEMENT HOUSING.—The public housing agency has developed a plan that provides for additional decent, safe, sanitary, and affordable dwelling units for each public housing dwelling unit to be demolished or disposed of under such application or provides additional dwelling units sufficient to address the needs and demographic characteristics of the number of applicants on the waiting list of the agency equal to the number of units to be demolished or disposed of or the needs of the community, as described in the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act, which plan—

"(A) provides for the provision of such additional dwelling units through—

"(i) the acquisition or development of additional public housing dwelling units, which may be units in housing owned (or leased for a period to be determined by the Secretary) by a partnership of a public housing agency and other entity in which the agency has a controlling interest;

"(ii) the use of 15-year project-based assistance under section 8;

"(iii) in the case of an application proposing demolition or disposition of 200 or more units, the use of tenant-based assistance under section 8 having a term of not less than 5 years;

"(iv) units acquired or otherwise provided for homeownership (including cooperative and condominium interests) by public housing residents under section 5(h), subtitle B or C of title IV of the Cranston-Gonzalez National Affordable Housing Act, or other programs for homeownership that have program requirements substantially equivalent to the requirements established under section 605 of the Housing and Community Development Act of 1987;

"(v) affordable housing homeownership units assisted under title II of the Cranston-Gonzalez National Affordable Housing Act and sold to public housing residents;

"(vi) rental units that are—

"(I) assisted under title II of the Cranston-Gonzalez National Affordable Housing Act (notwithstanding section 212(d)(2) of such Act); or

"(II) assisted under a State or local rental assistance program that provides for rental assistance over a term of not less than 15 years that is comparable in terms of eligibility and contribution to rent to assistance under section 8, except that this subclause shall only apply in cases provided under subparagraph (C);

"(vii) housing assisted by a tax credit under section 42 of the Internal Revenue Code of 1986;

"(viii) housing acquired from the Resolution Trust Corporation or the Federal Deposit Insurance Corporation;

"(ix) housing acquired under section 203 of the Housing and Community Development Amendments of 1978;

"(x) other methods of providing housing units approved by the Secretary; or

"(xi) any combination of such methods;

"(B) in the case of an application proposing demolition or disposition of 200 or more units, shall provide that—

"(i) not less than 50 percent of such additional dwelling units shall be provided through the acquisition or development of additional dwelling units or through project-based assistance; and

"(ii) not more than 50 percent of such additional dwelling units shall be provided through tenant-based assistance under section 8 having a term of not less than 5 years;

"(C) if it provides for the use of tenant-based assistance provided under section 8 or otherwise, may be approved—

"(i) only after a finding by the Secretary that replacement with project-based assistance is not feasible, and the supply of private rental housing actually available to those who would receive such assistance under the plan is sufficient for the total number of families in the community assisted with tenant-based assistance after implementation of the plan and that such supply is likely to remain available for the full term of the assistance; and

"(ii) only if such finding is based on objective information, which shall include rates of participation by owners in the section 8 program, size, conditions and rent levels of available rental housing as compared to section 8 standards, the supply of vacant existing housing meeting the section 8 housing quality standards with rents at or below the fair market rental, the number of eligible families waiting for public housing or housing assistance under section 8, and the extent of discrimination against the types of individuals or families to be served by the assistance;

"(D) may provide that all or part of such additional dwelling units may be located outside the jurisdiction of the public housing agency (in this subparagraph referred to as the 'original agency') if—

"(i) the location is in the same housing market area as the original agency, as determined by the Secretary; and

"(ii) the plan contains an agreement between the original agency and the public housing agency in the alternate location or other public or private entity that will be responsible for providing the additional units in the alternate location that such alternate agency or entity will, with respect to the dwelling units involved—

"(I) provide the dwelling units in accordance with subparagraph (A);

"(II) complete the plan on schedule in accordance with subparagraph (F);

"(III) meet the requirements of subparagraph (G) and the maximum rent provisions of subparagraph (H);

"(IV) not impose a local residency preference on any resident of the jurisdiction of the original agency for purposes of admission to any such units; and

"(V) allow that preference for admission to any such additional units may be provided to residents of the severely distressed public housing dwelling units replaced under this subparagraph pursuant to section 24;

"(E) includes a schedule for completing the plan during a period consistent with the size of the proposed demolition or disposition and replacement plan, which—

"(i) shall not exceed 6 years, except that the Secretary may extend the schedule to not more than 10 years if the Secretary determines that good cause exists to extend the implementation of the replacement plan under this subsection; and

"(ii) the demolition or disposition under the plan can occur in phases necessary to provide for relocation of tenants under paragraph (2);

"(F) includes a method of ensuring that the same number of individuals and families will be provided housing;

"(G) provides for the payment of the relocation expenses of each tenant to be displaced and ensures that the rent paid by the

tenant following relocation will not exceed the amount permitted under this Act;

"(H) prevents the taking of any action to demolish or dispose of any unit until the tenant of the unit is relocated to decent, safe, sanitary, and affordable housing; and

"(I) permits the Secretary to intervene and take any actions necessary to complete the plan if the public housing agency fails, without good cause, to carry out its obligations under the plan.

"(c) LIMITATION ON DEMOLITION AND EXEMPTION.—

"(1) MAXIMUM PERCENTAGE.—Notwithstanding any other provision of this section, during any 5-year period a public housing agency may demolish not more than the lesser of 5 dwelling units or 5 percent of the total dwelling units owned and operated by the public housing agency, without providing an additional dwelling unit for each such public housing dwelling unit to be demolished, but only if the space occupied by the demolished unit is used for meeting the service or other needs of public housing residents.

"(2) SITE AND NEIGHBORHOOD STANDARDS EXEMPTION.—Notwithstanding any other provision of law, a replacement plan under subsection (b)(3) may provide for demolition of public housing units and replacement of such units on site or in the same neighborhood if the number of replacement units provided in the same neighborhood is fewer than the number of units demolished and the balance of replacement units are provided elsewhere in the jurisdiction or pursuant to subsection (b)(3)(D).

"(d) TREATMENT OF REPLACEMENT UNITS.—With respect to any dwelling units developed, acquired, or leased by a public housing agency pursuant to a replacement plan under subsection (b)(3)—

"(1) assistance may be provided under section 9 for such units; and

"(2) such units shall be available for occupancy, operated and managed in the manner required for public housing, and shall be subject to the other requirements applicable to public housing dwelling units.

"(e) APPROVAL OF APPLICATIONS.—

"(1) IN GENERAL.—The Secretary shall notify a public housing agency submitting an application under this section for demolition or disposition and replacement of a public housing project or portion of a project of the approval or disapproval of the application not later than 60 days after receiving the application. If the Secretary does not notify the public housing agency as required under this paragraph or paragraph (2), the application shall be considered to have been approved.

"(2) DISAPPROVAL AND RESUBMISSION.—If the Secretary disapproves an application, the Secretary shall specify in the notice of disapproval the reasons for the disapproval and the agency may resubmit the application as amended or modified.

"(3) ANNUAL REPORT.—The Secretary shall annually submit a report to the Congress describing for the year the applications under this section approved and disapproved, the number, general condition, and location of units demolished or disposed of, and the number, general condition, location, and method of provision of units of replacement housing provided pursuant to this section.

"(f) ACTION BEFORE APPROVAL OF APPLICATION.—

"(1) PROHIBITED ACTION.—A public housing agency shall not take any action to demolish or dispose of a public housing project or a portion of a public housing project without obtaining the approval of the Secretary and

satisfying the conditions specified in subsections (a) and (b).

"(2) ALLOWABLE RELOCATION.—A public housing agency may relocate tenants of public housing into other dwelling units before the approval of an application under this section for demolition or disposition, or prior to implementing a plan for modernization under section 14 or 24, if units to be demolished or disposed of are not decent, safe, and sanitary, or if the units to be rehabilitated cannot be maintained cost-effectively in a decent, safe, and sanitary condition.

"(g) ASSISTANCE FOR REPLACEMENT HOUSING.—The Secretary may provide assistance under this subsection for—

"(1) providing replacement public housing units pursuant to subsection (b)(3)(A) for units demolished or disposed of pursuant to this section; and

"(2) providing assistance under section 8 for replacement housing pursuant to subsection (b)(3)(A) for units demolished or disposed of pursuant to this section.

"(h) INAPPLICABILITY TO PUBLIC HOUSING HOMEOWNERSHIP PROGRAM.—The provisions of this section shall not apply to the disposition of a public housing project in accordance with an approved homeownership program under title III.

"(i) EXCEPTION TO REPLACEMENT RULE.—

"(1) REQUIREMENTS FOR WAIVER.—The Secretary shall waive the applicability of the provisions of subsection (b)(3) with respect to any application under this section by a public housing agency for the demolition or disposition of public housing dwelling units if—

"(A) the Secretary determines, based on information provided by the public housing agency in the application and the request under paragraph (2), that—

"(i) the requirements under subsection (b)(3) are preventing or interfering with the development or acquisition of new public housing dwelling units by the agency;

"(ii) the long-term goal of the agency in requesting the waiver under this subsection is to increase the number of habitable public housing dwelling units of the agency;

"(iii) maintaining and operating the dwelling units to be demolished or disposed of is not cost-effective; and

"(iv) sufficient financial assistance is not, and will not be, available to the public housing agency to rehabilitate or replace all or some of the units;

"(B) the Secretary determines that replacing the dwelling units to be demolished or disposed of under the application is unnecessary because other affordable housing is available in the area in which the units are located, and in making such determination the Secretary considers the assessment submitted by the public housing agency under paragraph (2)(C); and

"(C) the public housing agency requests a waiver under this subsection in accordance with the requirements of paragraph (2).

"(2) REQUEST FOR WAIVER.—To be eligible for a waiver under this subsection, a public housing agency shall submit to the Secretary a request for a waiver under this subsection that includes—

"(A) a comprehensive plan for demolition, disposition, and replacement that describes additional dwelling units to be made available by the public housing agency;

"(B) an identification of the dwelling units for which the waiver is requested; and

"(C) an assessment of the need of replacing such dwelling units including the unit size, age, general condition, and length of time such units have been vacant, the condition of the neighborhood in which the dwelling units

are located, and the availability of dwelling units affordable to low-income families within the jurisdiction in which the dwelling units are located, during the implementation of the replacement plan.

"(3) SUBMISSION TO SECRETARY.—A request for a waiver under this subsection may be submitted at any time. The request shall be submitted to the Secretary by certified mail or any other equivalent means that provides notification to the public housing agency making the request of the date of receipt by the Secretary.

"(4) NOTICE OF DISPOSITION OF REQUEST.—Except as provided in paragraph (5), the Secretary shall notify a public housing agency requesting a waiver under this section of the approval or disapproval of the request not later than 45 days after receiving the request. If the Secretary does not notify the public housing agency as required under this paragraph or paragraph (5), the request for a waiver shall be considered to have been approved.

"(5) REQUEST FOR ADDITIONAL INFORMATION.—If the Secretary determines that more information is needed to make the determinations under paragraph (1) than has been provided by the public housing agency, the Secretary shall notify the agency in writing not later than 30 days after receiving the request for the waiver that additional information is necessary. Such notice shall describe specifically the additional information required for the determinations and establish a deadline for the submission of the information by the agency, which shall be determined based on the difficulty of obtaining the information requested. If the agency submits such additional information requested before the deadline established in the notice under this paragraph, the Secretary shall notify the agency requesting the waiver that the request is approved or disapproved not later than 30 days after the submission of such additional information.

"(6) STATEMENT OF REASONS FOR DENYING OR APPROVING REQUEST.—The Secretary shall include, in each notice under paragraph (4) or (5) of the denial or approval of a request for a waiver under this subsection, the specific reasons for denying or approving the request. The denial of any request for a waiver for public housing dwelling units shall not prejudice the consideration of any other subsequent request for such a waiver for any of such dwelling units."

#### RULE PUMPS DOLLARS INTO DECAYED HOUSING (By Adam Nossiter)

NEW ORLEANS, July 25.—Roofless buildings yawning to the sky, gaping windows without glass, inside walls stripped to rough planks, outside walls pitted with holes: It isn't the emptiness of the Desire public housing development that is disconcerting, but the presence of any residents at all. About 3,000 people live in a project that was designed for more than twice that number.

In March, the Inspector General for the Department of Housing and Urban Development, Susan Gaffney, told Congress that renovating the isolated 97-acre reservation for the poor would cost \$14 million more than tearing it down and starting over. Yet work is under way on a renovation plan that is expected to cost \$90 million to \$100 million. The housing agency has already approved the first \$12 million.

The project, which is on the street immortalized by Tennessee Williams in his play "A Streetcar Named Desire," is a case study of what critics say is an irrationality of the Federal housing policy, one that has also af-

fected cities like Newark, Cleveland and Washington. The root of the problem, the critics say, is a Federal housing agency policy that funnels large sums of money into decrepit apartments but provides little for new construction, and a law requiring that for every demolished apartment, a new unit be built, to keep the supply from dwindling.

This "one-for-one" law, as it is known, seems particularly irrational in New Orleans, which has the highest housing vacancy rate in the country, 16.6 percent, the Census Bureau says.

On Friday, the House overwhelmingly approved a bill that would revise the policy and ease the law. It would allow the demolition of the most decrepit public housing while freeing money designated for renovation to build new apartments. A housing bill is also before the Senate but it does not discuss the "one-for-one" law.

A leader in the drive for the House legislation was Representative Collin C. Peterson, Democrat of Minnesota, who toured Desire this year, and cited the project as an example of waste produced by the current policy. Mr. Peterson is the chairman of a House subcommittee on housing.

In the grim universe of decaying housing projects, Desire is "probably one of the worst in the country," a district inspector general for the housing agency, D. Michael Beard, said in a recent interview. Mr. Beard was in charge of an agency audit of the New Orleans Housing Authority completed last month.

The sprawling complex of two-story barracks-like buildings, built from 1953 to 1956, sits atop a landfill that was once a swamp. The ground is sinking beneath it, so that in many places porches have fallen away.

#### EXODUS BEGAN A DECADE AGO

Since the early 1980's, when Desire was almost full, residents have been moving out steadily as the project deteriorated and violence grew. The project is about 58 percent vacant. Of the 810 households there, 745 are headed by single women.

The project, two miles east of the French Quarter, is cut off from the rest of the city by two sets of railroad tracks, the New Orleans Industrial Canal and acres of warehouses and factories.

The complex was deliberately built of wooden frames, susceptible to the area's high humidity, as opposed to concrete and masonry, because the Federal Public Housing Administration, as it was known then, said it wanted to save money. It was built "as a colored project," according to the housing agency report completed last month, and only blacks still live there.

#### VIOLENCE AMID WRECKAGE

Today, some of the apartments look as if they have been pillaged by marauding armies. Remains of plaster walls lie heaped on rotting wood floors. Vandals have taken everything, down to the window frames and copper piping.

There were 86 murders in the complex from 1989 to 1993, more than in any of the city's other housing projects in the same period, even though some of the others are larger.

But even before the first tenants moved to Desire, a public housing tenants' association report called it a "waste of public money" and "unsafe for human habitation." Those words have echoed through the years and were heard yet again as the New Orleans Housing Authority considered the renovation.

In addition to the public housing laws, the pride of local housing officials and some of the tenants were behind the renovation.

"The neighborhood should exist," said Shelia Danzey, manager of the New Orleans Housing Authority. "It's like preservationists saying these 1832 houses should exist."

Ms. Danzey also questioned the credentials of the independent consulting concern that advised against rebuilding Desire, even though it is the same one hired by her agency in 1990. The concern, EA Technical Services Inc. of Atlanta, said renovating the project was neither "viable nor feasible."

The decision by the New Orleans housing authority to push the renovation plan was essential for getting it approved by Federal officials. Yet the Federal audit of the New Orleans agency called its operations "inefficient, ineffective and uneconomical."

Joseph Shuldiner, the Assistant Secretary for public and Indian housing, said of the renovation plan, "There are legitimate questions here, but in our judgment they didn't outweigh the official policy of going along with the local request."

#### \$12 MILLION COMMITMENT

In the first phase of the renovation, about \$12 million has been awarded to the Rex K. Johnson Company, a Lampasas, Tex., concern that specialized in public housing work, to rebuild about 180 apartments. They have been redesigned as town houses, with each apartment having its own access to the street.

The overall plan calls for spending \$71,000 to \$78,000 for each apartment, which exceeds the housing agency's own spending limit for a new apartment by as much as 37 percent. The amount being spent to renovate each apartment could buy comfortable three-bedroom dwellings in many parts of New Orleans.

Under the renovation plan, a third of Desire's 1,800 apartments would be demolished and the rest would be gutted and rebuilt. The tenants would remain during the renovation. To conform to the one-for-one rule, for each Desire apartment demolished the housing authority will subsidize the rents for the same number of apartments.

#### LAW BEHIND THE REBUILDING

In 1987, the tide had long since turned against construction of big public housing projects when Congress mandated that every housing unit torn down had to be replaced with a new one. In practice, the rule forced local authorities to leave deteriorating housing projects standing.

In addition to limiting money for new constructions, the housing rules bar new developments in areas that already have large poor and minority populations. Neighborhood opposition to new public housing is often intense.

For the current fiscal year, Congress appropriated \$559 million for new housing against \$3.2 billion for renovation. It also appropriated \$7 billion for rental vouchers to be used for private housing. But there are limits on the number of vouchers that can be used to replace housing that has been demolished.

The national landscape is littered with decaying, empty housing projects. Newark has long wanted to demolish 21 high-rise apartments. The one-for-one rule made this difficult, so the city's housing authority received \$17 million in Federal housing operation subsidies for closed and sealed buildings from 1985 to 1992, enabling the authority to accumulate reserves of \$31 million and "become financially sound," in Inspector General Gaffney's words.

The Cuyahoga Housing Authority in Cleveland has received \$47.3 million in operating

subsidies for vacant units since 1987, and the Washington authority \$5.5 million in 1992.

These accounts of subsidies for empty apartments, recited in March before Mr. Peterson's subcommittee, led to the legislation passed on Friday. It would allow all local housing officials to sue up to half their renovation money for new housing. It would also allow them to ask the Federal housing agency to waive the rule requiring one new housing unit for each one demolished if it interfered with the development of new public housing.

An amendment to the bill would also allow New Orleans housing officials to use money designated for the renovation of the Desire in other ways, including renovating some of the city's many vacant dwellings for housing the Desire tenants.

The new Mayor of New Orleans, Marc Morial, who inherited the Desire renovation plan, says he supports the amendment that would give the city more discretion with its Federal housing money. He suggested that some of the \$100 million may be better spent repairing the city's many abandoned houses, some of them with distinctive Creole architectural features still intact. But he said he wanted the first phase of the Desire renovation to be completed.

At Desire, there is suspicion of politicians, anger about the conditions and, in some residents, no interest at all in moving somewhere else. Charlene Slack, for one is glad to see the construction crews. "I'm happy about it," she said. "But I wish they would hurry up."

Bonnie Rodgers, vice chairman of the tenant council, said: "Don't send us somewhere else. Let us change where we live."

But others don't see much hope in change. Penny Jones stood by the rotting wood of her kitchen floor, near the bathroom where the sink was coming off the wall, and by the stairwell that looked like an elongated piece of Swiss cheese.

"I think they should tear it all down," she said. The summer heat, had aggravated the stink of the sewage beneath her building, she said. Indeed; the Atlanta consulting firm found that the "subsidence of the soil has caused continuous problems with the sewer and water systems."

There were a "million" mice in the apartment. "They need to just tear it all down and start from scratch," Ms. Jones said. "They can fix it up. I don't care. I'm going to move." ●

By Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 2393. A bill to eliminate a maximum daily diversion restriction with respect to the pumping of certain water from Lake Powell, and for other purposes; to the Committee on Energy and Natural Resources.

LAKE POWELL DIVERSION RESTRICTION ACT OF 1994

● Mr. DECONCINI. Mr. President, I am today introducing a bill that removes a maximum daily water diversion restriction imposed upon the city of Page, AZ, by the Reclamation Development Act of 1974. Although the bill removes the daily pumping limitation, it retains the limit on the city of Page's annual consumption amount.

I am very pleased that the bill is being cosponsored by my colleague from Arizona, Senator MCCAIN.

The city of Page receives its water solely from the Colorado River that is

impounded within Lake Powell. Lake Powell is impounded behind the Glen Canyon Dam which was constructed by the Bureau of Reclamation.

The 1974 Reclamation Development Act severed the Federal Government's ownership and management of an area within the Colorado River project in Coconino County, AZ, creating a self-governing city. That city, Page, AZ, required water to survive in the desert environment. The 1974 legislation ensures that Page's water need is met by providing for an annual supply of water with a daily pumping limitation.

For a number of years after this legislation was authorized, the Bureau of Reclamation had varying degrees of responsibility and liability for operation and maintenance of the municipal water system. As the Bureau's authority was phased out, the city became responsible for all costs for the operation, maintenance, and replacement of the municipal water system beyond Glen Canyon Dam and the powerplant.

The city is concerned that they may need to exceed the daily pumping limitation during peak use periods in the summer months. As the city's population grows and national park tourism increases, this daily pumping limit will place an unrealistic burden on Page, especially during the summer season.

I urge my colleagues to give this bill serious consideration. I have been advised that the removal of this daily pumping limitation will not affect any other water users. I ask unanimous consent that the text of the bill and a letter from the Bureau of Reclamation be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2393

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. ELIMINATION OF 24-HOUR RESTRICTION.

The second sentence of section 104(c) of the Reclamation Development Act of 1974 (Public Law 93-493; 88 Stat. 1488) is amended by striking "or three million gallons of water in any twenty-four hour period."

U.S. DEPARTMENT OF THE INTERIOR,  
BUREAU OF RECLAMATION,  
Salt Lake City, UT, August 12, 1994.

Hon. DENNIS DECONCINI,  
U.S. Senate,  
Washington DC.

DEAR SENATOR DECONCINI: Officials in Washington, D.C. reviewed the proposal with Mayor Scaramazzo of the City of Page (Page), Arizona, to eliminate the daily pumping limitation of 3,000,000 gallons per day from Lake Powell for the City of Page, Arizona imposed by subsection 104(c) of the Reclamation Development Act of October 27, 1974, (P.L. 93-493). Mayor Scaramazzo was informed that since the maximum annual depletion of 2,740 acre-feet reserved to Page will not change under the proposal, the concept does not appear to adversely affect any other user of the Colorado River, and Arizona's use of 50,000 acre-feet of annual depletion under the Upper Colorado River Basin

Compact is unaffected. We have no objection to this concept.

We have reviewed the draft Bill language and it appears to match the proposed concept. However, our review should not be construed to reflect the Administration's position on the final Bill when sent to Congress.

Sincerely,

RICK L. GOLD

(For Charles A. Calhoun, Regional Director).

• Mr. MCCAIN. Mr. President, I am in full support of the measure being introduced by my colleague from Arizona. The problem affecting the city of Page is a simple one, as is the measure we have introduced to correct it. The bill would remove the daily pumping limitation without affecting the city's overall allocation.

As my colleague noted, the city's sole source of water is a Colorado River allocation through Lake Powell. The city's enabling legislation limits the daily pumping rate from Lake Powell to 3 million gallons per day.

It is my understanding that the limitation was applied because of limitations on the Bureau of Reclamation's ability to pump at the time of enactment. However, that rationale no longer applies because the city is now responsible for both the pumping equipment and the cost of pumping water from the lake to the city.

The amendment would merely remove the daily pumping limit from the enabling legislation without affecting the city's overall allocation of Colorado River water. This is a very important point.

The Colorado River is the life blood to many communities along its path. Although it is clear that the bill will not affect other Colorado River users, we must ensure that the appropriate users are contacted and consulted. Especially, the Navajo Nation which has a significant interest in Colorado River water. Since the river is such an important resource, decisions affecting its management, even minor ones, should be discussed in an open process. I am confident that this bill is something all parties will support.

I hope my colleagues will give this measure serious consideration and that we can enact it quickly. While it is a minor change, it is one that is very important to the city of Page and its residents who depend on this vital source of water.

By Mr. CAMPBELL:

S. 2394. A bill to establish a National Physical Fitness and Sports Foundation to carry out activities to support and supplement the mission of the President's Council on Physical Fitness and Sports; to the Committee on Labor and Human Resources.

NATIONAL PHYSICAL FITNESS AND SPORTS  
FOUNDATION ACT

• Mr. CAMPBELL. Mr. President, I am introducing legislation to establish a National Physical Fitness and Sports

Foundation bill. This proposal is designed to support the President's Council on Physical Fitness.

The President's Council on Physical Fitness currently operates on a shoe-string budget of \$1.4 million. The establishment of a non-profit foundation would permit the Council to have an independent source of funding to expand its scope and activities. This proposal will not conflict with existing efforts to provide funding for the U.S. Olympic Committee as moneys that would flow through the corporation to the Council would not be public funds.

Once established, the National Physical Fitness and Sports Foundation would be a charitable, non-profit organization designed to encourage and promote the solicitation of private funds for the President's Council on Physical Fitness. After the deduction of administrative expenses, the foundation would annually transfer the balance of the contributions to the U.S. Public Health Service Gift Fund.

The foundation would have the following specific powers:

It could accept, receive, solicit, administer, and use any gift, devise or bequest, absolutely or in trust.

It could acquire by purchase or exchange any real or personal property or interest; and

It could enter into contracts or other arrangements with public agencies and private organizations and persons and to make such payments as may be necessary to carry out its functions.

A nine-member board of directors would govern the foundation. Three board members must have experience directly related to physical fitness, sports or the relationship between health status and physical exercise. The remaining six board members would be leaders in the private sector with a strong interest in physical fitness. Ex officio members of the board would include the Assistant Secretary of Health, the Executive Director of the President's Council on Physical Fitness, the Director of the National Center for Chronic Disease Prevention and Health Promotion, the Director of the National Heart, Lung and Blood Institute, and the Director of the Centers for Disease Control.

Board members would serve for 6 years. Three board members would be appointed by the Secretary of Health and Human Services; two by the majority leader of the Senate; one by the minority leader of the Senate; two by the Speaker of the House; and one by the minority leader of the House of Representatives. The chairman would be elected by the board members to a 2-year term. No individual could serve more than two consecutive terms as a director.

Board members would serve without pay, but would be reimbursed for traveling and subsistence expenses. The board would be empowered to appoint

officers and employees, once the foundation had sufficient funding to pay for their services; and adopt a constitution and bylaws. Officers and employees of the foundation could not receive pay in excess of the annual rate of basic pay in effect for Executive Level V in the Federal service.

I think that this bill will help further an important national goal—encouraging and fostering physical fitness and well-being—and I urge my colleagues to support it.

Mr. President, I also ask unanimous consent that a complete copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2394

*Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Physical Fitness and Sports Foundation Establishment Act".

SEC. 2. ESTABLISHMENT AND PURPOSE OF FOUNDATION.

(a) ESTABLISHMENT.—There is established the National Physical Fitness and Sports Foundation (hereinafter in this Act referred to as the "Foundation"). The Foundation is a charitable and nonprofit corporation and is not an agency or establishment of the United States.

(b) PURPOSES.—The purposes of the Foundation are—(1) in conjunction with the President's Council on Physical Fitness and Sports, to develop a list and description of programs, events and other activities which would further the goals outlined in Executive Order 12345 and with respect to which combined private and governmental efforts would be beneficial.

(2) to encourage and promote the participation by private organizations in the activities referred to in subsection (b)(1) and to encourage and promote private of money and other property to support those activities.

(c) DISPOSITION OF MONEY AND PROPERTY.—At least annually the Foundation shall transfer, after the deduction of the administrative expenses of the Foundation, the balance of any contributions received for the activities referred to in subsection (b), to the United States Public Health Service Gift Fund pursuant to section 2701 of the Public Health Service Act (42 U.S.C.—300aaa) for expenditure pursuant to the provisions of that section and consistent with the purposes for which the funds were donated.

SEC. 3. BOARD OF DIRECTORS OF THE FOUNDATION.

(a) ESTABLISHMENT AND MEMBERSHIP.—The Foundation shall have a governing Board of Directors (hereinafter referred to in this Act as the "Board"), which shall consist of nine Directors each of whom shall be a United States citizen; and

(1) Three of whom must be knowledgeable or experienced in one or more fields directly connected with physical fitness, sports or the relationship between health status and physical exercise;

(2) Six of whom must be leaders in the private sector with a strong interest in physical fitness, sports or the relationship between health status and physical exercise. The membership of the Board, to the extent practicable, shall represent diverse professional

specialties relating to the achievement of physical fitness through regular participation in programs of exercise, sports and similar activities. The Assistant Secretary for Health, the Executive Director of the President's Council on Physical Fitness and Sports, the Director for the National Center for Chronic Disease Prevention and Health Promotion, the Director of the National Heart, Lung, and Blood Institute and the Director for the Centers for Disease Control and Prevention shall be ex officio, nonvoting members of the Board. Appointment to the Board or its staff shall not constitute employment by, or the holding of an office of, the United States for the Purpose of any Federal employment or other law.

(b) **APPOINTMENT AND TERMS.**—Within 90 days from the date of enactment of this Act, the Directors of the Board will be appointed. The Directors shall serve for a term of six years; three of whom will be appointed by the Secretary (hereinafter referred to in this Act as the "Secretary"); two by the Majority Leader of the Senate; one by the Minority Leader of the Senate; two by the Speaker of the House of Representatives; one by the Minority Leader of the House of Representatives. A vacancy on the Board shall be filled within sixty days of said vacancy in the manner in which the original appointment was made, and shall be for the balance of the term of the individual who was replaced. No individual may serve more than two consecutive terms as a Director.

(c) **CHAIRMAN.**—The Chairman shall be elected by the Board from its members for a two-year term and will not be limited in terms or service.

(d) **QUORUM.**—A majority of the current membership of the Board shall constitute a quorum for the transaction of business.

(e) **MEETINGS.**—The Board shall meet at the call of the Chairman at least once a year. If a Director misses three consecutive regularly scheduled meetings, that individual may be removed from the Board and the vacancy filled in accordance with subsection 3(b).

(f) **REIMBURSEMENT OF EXPENSES.**—Members of the Board shall serve without pay, but may be reimbursed for the actual and necessary traveling and subsistence expenses incurred by them in the performance of the duties of the Foundation, subject to the same limitations on reimbursement that are imposed upon employees of Federal agencies.

(g) **GENERAL POWERS.**—(1) The Board may complete the organization of the Foundation by—

(A) appointing officers and employees;

(B) adopting a constitution and bylaws consistent with the purposes of the Foundation and the provision of this Act. In establishing bylaws under this subsection, the Board shall provide for policies with regard to financial conflicts of interest and ethical standards for the acceptance, solicitation and disposition of donations and grants to the Foundation; and

(C) undertaking such other acts as may be necessary to carry out the provisions of this Act.

(2) The following limitations apply with respect to the appointment of officers and employees of the Foundation:

(A) Officers and employees may not be appointed until the Foundation has sufficient funds to pay them for their service. No individual so appointed may receive pay in excess of the annual rate of basic pay in effect for Executive Level V in the Federal service.

(B) The first officer or employee appointed by the Board shall be the Secretary of the

Board who (1) shall serve, at the direction of the Board, as its chief operating officer, and (1) shall be knowledgeable and experienced in matters relating to physical fitness and sports.

(C) No Public Health Service employee nor the spouse or dependent relative of such an employee may serve as an officer or member of the Board of Directors or as an employee of the Foundation.

(D) Any individual who is an officer, employee, or member of the Board of the Foundation may not (in accordance with the policies developed under subsection 3(g)(1)(B)) personally or substantially participate in the consideration or determination by the Foundation of any matter that would directly or predictably affect any financial interest of the individual or a relative (as such term is defined in section 109 (16) of the Ethics in Government Act of 1978) of the individual, of any business organization or other entity, or of which the individual is an officer or employee, or is negotiating for employment, or in which the individual has any other financial interest.

#### SEC. 4. RIGHTS AND OBLIGATIONS OF THE FOUNDATION.

(a) **IN GENERAL.**—The Foundation—

(1) shall have perpetual succession;

(2) may conduct business throughout the several States, territories, and possessions of the United States;

(3) shall have its principal offices in or near the District of Columbia; and

(4) shall at all times maintain a designated agent authorized to accept service of process for the Foundation. The serving of notice to, or service of process upon, the agent required under paragraph 4(a)(4), or mailed to the business address of such agent, shall be deemed as service upon or notice to the Foundation.

(b) **SEAL.**—The Foundation shall have an official seal selected by the Board which shall be judicially noticed.

(c) **POWERS.**—To carry out its purposes under section 2, and subject to the specific provisions thereof, The Foundation shall have the usual powers of a corporation acting as a trustee in the District of Columbia, including the power—

(1) except as otherwise provided herein, to accept, receive, solicit, hold, administer and use any gift, devise, or bequest, either absolutely or in trust, of real or personal property or any income therefrom or other interest therein;

(2) to acquire by purchase or exchange any real or personal property or interest therein;

(3) unless otherwise required by the instrument of transfer, to sell, donate, lease, invest, reinvest, retain or otherwise dispose of any property or income therefrom.

(4) to sue and be sued, and complain and defend itself in any court of competent jurisdiction, except for gross negligence;

(5) to enter into contracts or other arrangements with public agencies and private organizations and persons and to make such payments as may be necessary to carry out its functions; and

(6) to do any and all acts necessary and proper to carry out the purposes of the Foundation.

(d) **DEFINITIONS.**—For purposes of this Act, an interest in real property shall be treated as including, among other things, easements or other rights for preservation, conservation, protection, or enhancement by and for the public of natural, scenic, historic, scientific, educational, inspirational or recreational resources. A gift, devise, or bequest may be accepted by the Foundation even though it is encumbered, restricted or sub-

ject to beneficial interests of private persons if any current or future interest therein is for the benefit of the Foundation.

#### SEC. 5. VOLUNTEER STATUS.

The Foundation may accept, without regard to the civil service classification laws, rules, or regulations, the services of volunteers in the performance of the functions authorized herein, in the manner provided for under section 7(c) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f(c)).

#### SEC. 6. AUDIT, REPORTING REQUIREMENTS AND PETITION TO ATTORNEY GENERAL FOR EQUITABLE RELIEF.

(a) **AUDITS.**—For purposes of the act entitled "An Act for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (Public Law 88-504, 36 U.S.C. 1101-1103, the Foundation shall be treated as a private corporation under Federal law. The Inspector General of the Department of Health and Human Services and the Comptroller General of the United States shall have access to the financial and other records of the Foundation, upon reasonable notice.

(b) **REPORT.**—The Foundation shall, as soon as practicable after the end of each fiscal year, transmit to the Secretary of the Department of Health and Human Services and to Congress a report of its proceedings and activities during such year, including a full and complete statement of its receipts, expenditures, and investments.

(c) **RELIEF WITH RESPECT TO CERTAIN FOUNDATION ACTS OR FAILURE TO ACT.**—If the Foundation:

(1) engages in, or threatens to engage in, any act, practice or policy that is inconsistent with its purposes set forth in section 2(b); or

(2) refuses, fails, or neglects to discharge its obligations under this Act, or threaten to do so; the Attorney General of the United States may petition in the United States District Court for the District of Columbia for such equitable relief as may be necessary or appropriate.

#### SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized such sums as are necessary to carry out the purposes of this Act. Provided that, such sums are only available to the Foundation for organizational costs.

By Mr. RIEGLE:

S. 2395. A bill to designate the United States Federal Building and Courthouse in Detroit, Michigan, as the "Theodore Levin Federal Building and Courthouse," and for other purposes; to the Committee on Environment and Public Works.

THE THEODORE LEVIN FEDERAL BUILDING AND COURTHOUSE ACT OF 1994

● Mr. RIEGLE. Mr. President, I introduce legislation which officially designates the U.S. Federal Building and Courthouse in Detroit, Michigan, as the "Theodore Levin Federal Building and Courthouse."

Theodore Levin was a man of high morals and exemplary dedication. Born in Chicago in February 1897, he received a bachelor of law degree from the University of Detroit in 1920 and was admitted to the bar.

In the years that followed, Theodore Levin worked to preserve the integrity of the law through his numerous public appointments. In 1933, he was selected

to serve as special assistant attorney general of Michigan to conduct grand jury proceedings relating to the closing of Michigan banks. During the Second World War, he was a member of the State Selective Service Appeals Board. And, in July 1946, President Harry Truman nominated Theodore Levin to the U.S. District Court for the Eastern District of Michigan.

Theodore Levin served the bench with fortitude, distinction, and honor. He was recognized and respected for the effort he made to ensure unbiased sentencing practices. Adamantly opposed to the disparity he saw in sentences given for similar crimes, he developed sentencing councils in the Eastern District of Michigan and encouraged groups of judges to join. These councils contributed greatly to achieving equity in sentencing.

Throughout his life, Theodore Levin was committed to the good and welfare of the community. He offered leadership to the people of Detroit in his service at the Detroit Community Fund, the Council of Social Agencies, the Big Brother Conference, the United Health and Welfare Fund of Michigan, and the Detroit Round Table of Catholics, Jews, and Protestants. He served as a member of the board and as president for the United Jewish Charities of Detroit, was chairman of the executive committee and president of the Jewish Welfare Federation of Detroit. Further, he was an active member of the board of trustees of the Jewish Publication Society of America, and served on the board of the National Council of Jewish Federations.

Theodore Levin's service was honored in 1961 with a doctor of laws degree from Wayne State University, and, in 1970, he was awarded a doctorate of humane letters by Hebrew Union College.

In 1925, he married Rhoda Katzin and together they had three sons a daughter. Theodore Levin was a noble man who, until his death in 1970, devoted his life to his family and to his work.

Mr. President, I am pleased to introduce this bill today honoring this remarkable man and his life. I urge my colleagues to join me in paying tribute to Theodore Levin by moving promptly to enact this bill, officially naming Detroit's Federal building and courthouse after him.●

By Mr. SHELBY (for himself and Mr. HEFLIN):

S. 2397. A bill to designate Building No. 137 of the Tuscaloosa Veterans' Medical Center in Tuscaloosa, AL, as the "Claude Harris, Jr. Building"; to the Committee on Veterans' Affairs.

THE CLAUDE HARRIS, JR. BUILDING ACT OF 1994  
● Mr. SHELBY. Mr. President, I introduce legislation that designates building No. 137 which will soon be completed at the Tuscaloosa Veterans' Medical Center in Tuscaloosa, AL as the Claude Harris, Jr. Building. I am

joined by the senior Senator from Alabama.

My good friend and colleague Claude Harris, who is currently the U.S. attorney for the Northern District of Alabama, represented the people of the Seventh District of Alabama for three terms in the House of Representatives. While in the House, Representative Harris served with eminent distinction on the Committee on Veterans' Affairs and became an expert on issues that affect both veterans and the Armed Forces.

Mr. President, I had the pleasure to serve the people of the Seventh Congressional District for four terms before being elected to the Senate. I was also a member of the Committee on Veterans' Affairs and can truly appreciate all that Claude Harris accomplished for veterans in Alabama and across America. Claude, who has risen to the rank of colonel in the Alabama National Guard, is a true friend of all veterans and richly deserves this honor.●

By Mr. EXON:

S. 2399. A bill to promote railroad safety and enhance interstate commerce; to the Committee on Commerce, Science, and Transportation.

RAILROAD GRADE CROSSING SAFETY ACT OF 1994

● Mr. EXON. Mr. President, I am pleased to introduce the Railroad Grade Crossing Safety and Research Act of 1994.

Most deaths and injuries which occur in the rail industry are as a result of trespassers and motorist violation of railroad grade crossing laws. About 600 people a year die as a result of railroad crossing accidents and about 600 people a year die as a result of trespassing on railroad property.

An automobile and a train collide once about every 90 minutes in the United States. In 1992 approximately 2,500 people were either killed or seriously injured as a result of railroad grade crossing accidents.

This is one area of death and injury which is preventable. The bill I introduce today is meant to complement the rail safety legislation I introduced at the administration's request earlier this year. I intend to recommend that the Senate Commerce Committee approve this legislation, the Rail Safety Act and rail crossing legislation introduced by Senator DANFORTH earlier this year as a single comprehensive rail safety initiative.

The legislation I introduce today is in response to surface transportation hearings I chaired earlier this year. Those hearings indicated that although significant progress has been made in reducing the number of rail-related deaths, there is still room for improvement, especially when it comes to grade crossing safety.

States and local governments must be encouraged to enforce their laws

against grade crossing violations and must be encouraged to finally close crossings. The split jurisdiction between the Federal Highway Administration, the Federal Rail Administration, States, local governments, and railroads has led to a gridlock of responsibility. This legislation, particularly when combined with the two bills I mentioned earlier and the administration's grade crossing safety initiative currently before the Senate Public Works Committee will shatter that gridlock.

It is time to make the places where rails meet roads safer for rail workers, drivers, pedestrians, and industry. The legislation I introduce today has that goal in mind.

Mr. President, these are the highlights of the Railroad Grade Crossing Safety and Research Act. This important legislation: First, establishes an Institute for Railroad and Grade Crossing Safety to research, study, and test improvements in railroad and grade crossing safety devices. There is no clear procedure to test the effectiveness of new crossing devices. The Institute will research, develop, fund, and test measures for reducing the number of fatalities and injuries in rail operations and focus on railroad grade crossing improvements, trespassing prevention and enforcement;

Second, requires the Secretary to coordinate a trespassing and vandalism prevention strategy with Federal, State and local governments as well as the private sector;

Third, establishes a maximum \$5,000 civil penalty for vandalizing a railroad grade crossing device, a maximum \$2,500 penalty for trespassing on railroad right-of-way, and encourages the railroads to warn the public of potential liability to deter illegal and dangerous acts;

Fourth, provides for the establishment of a toll-free 800 number for the public to report crossing malfunctions;

Fifth, prohibits local whistle bans unless certain grade crossing improvements or actions have been taken;

Sixth, requires the Secretary of Transportation to initiate a rule-making on rail car visibility;

Seventh, makes grade crossing safety, trespass prevention, and vandalism prevention Department of Transportation research priorities; and

Eighth, establishes a statewide crossing freeze combined with a trade-in program where States are required to trade in up to three old crossings for every new crossing built after the effective date of the regulations required by this legislation.

I encourage my colleagues to review this legislation and welcome their support.

Mr. President, I ask unanimous consent that the text of the Railroad Grade Crossing Safety and Research Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2399

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Railroad Grade Crossing Safety and Research Act of 1994".

#### SEC. 2. INSTITUTE FOR RAILROAD AND GRADE CROSSING SAFETY.

The Secretary of Transportation (hereinafter Secretary), in conjunction with a university or college having expertise in highway driver and railroad safety, shall establish within one year of enactment of this Act, an Institute for Railroad and Grade Crossing Safety (hereinafter Institute). The Institute shall research, develop, fund, or test measures for reducing the number of fatalities and injuries in rail operations. The Institute shall focus on improvements in railroad grade crossing safety, railroad trespass prevention, prevention of railroad vandalism, and the improved enforcement of laws in such areas. There is hereby authorized to be appropriated an additional \$1,000,000 for each of the fiscal years 1996 through 2000 for the Institute, which will make periodic reports to the Secretary of Transportation and the Congress.

#### SEC. 3. RAILROAD GRADE CROSSING, TRESPASSING AND VANDALISM PREVENTION STRATEGY.

(a) Not later than one year after the date of enactment of this Act, and in consultation with affected parties, the Secretary shall evaluate and review current local, State, and Federal codes regarding trespass on railroad property and vandalism affecting railroad safety and develop model prevention and enforcement codes and enforcement strategies for the consideration of State and local legislatures and governmental entities.

(b) Within one year of enactment of this Act, the Secretary shall develop and maintain a comprehensive outreach program to improve communications among Federal railroad safety inspectors, Federal Rail Administration-certified State inspectors, railroad police, and State and local law enforcement, for the purpose of addressing trespass and vandalism dangers on railroad property, and strengthening relevant law enforcement strategies. This program shall increase public and police awareness of the legality of, dangers inherent in, and the extent of, trespassing on railroad right-of-way, to develop strategies to improve the prevention of trespass and vandalism, and to improve the enforcement of laws relating to railroad trespass, vandalism, and grade crossing safety.

(c) For purposes of this Act, a trespasser is defined as a person who is on that part of railroad property used in railroad operations and whose presence is prohibited, forbidden or unlawful.

#### SEC. 4. CIVIL PENALTY FOR VANDALISM.

Not later than six months after the date of enactment of this Act, the Secretary shall amend the Secretary's regulations under section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431) to make subject to a civil penalty of up to \$5,000 under such Act any person who defaces, disables, damages, vandalizes or commits any act that adversely affects the function of any railroad grade crossing related signal system, sign, gate, device, sensor, or equipment.

#### SEC. 5. CIVIL PENALTY FOR TRESPASS ON RAILROAD PROPERTY.

Not later than six months after the date of enactment of this Act, the Secretary of Transportation shall amend the Secretary's regulations under section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431) to make subject to a civil penalty of up to \$2,500 under such an Act any person who trespasses on a railroad owned or railroad leased right-of-way, road, or bridge.

#### SEC. 6. WARNING OF CIVIL LIABILITY.

The Secretary shall permit and encourage railroads to warn the public about potential Federal civil liability for violations of Federal regulations related to vandalism of railroad crossing related devices, signs, and equipment and trespass on railroad property.

#### SEC. 7. WHISTLE BAN PROHIBITION.

Upon the date of enactment, no State or political subdivision thereof shall impose a whistle ban with respect to any railroad grade crossing or series of railroad grade crossings unless one of the following actions has been taken:

(a) The affected crossing is closed during the pendency of the ban;

(b) Crossing gates and median barriers have been installed and are operational at the affected crossing;

(c) Four quadrant gates have been installed and are in operation at the affected crossing;

(d) An automated horn system crossing device has been installed; or

(e) The Federal Rail Administrator has granted specific, time-limited permission for such ban.

#### SEC. 8. RAIL CAR VISIBILITY.

(a) The Secretary shall conduct a review of the Department of Transportation's rules with respect to rail car visibility. As part of this review, the Secretary shall collect relevant data from operational experience of railroads having enhanced visibility measures in service.

(b) Not later than June 30, 1996, the Secretary shall initiate a rulemaking proceeding to issue regulations requiring substantially enhanced visibility standards for newly manufactured and remanufactured rail cars. In such rulemaking proceedings the Secretary shall consider at a minimum—

(1) visibility from the perspective of automobile drivers;

(2) whether certain rail car paint colors should be prohibited or required;

(3) the use of reflective materials;

(4) the visibility of lettering on rail cars;

(5) the effect of any enhanced visibility measures on the health and safety of train crew members; and

(6) the ratio of cost to benefit of any new regulations.

(c) In issuing regulations under paragraph (b), the Secretary may exclude from any specific visibility requirement any category of trains or rail operations if the Secretary determines that such an exclusion is in the public interest and is consistent with rail safety including railroad grade crossing safety.

(d) As used in this subsection, the term "railcar visibility" means the enhancement of driver, pedestrian, and railroad worker ability to observe trains consistent with public safety with particular consideration of enhancing safety at railroad grade crossings.

#### SEC. 9. STATEWIDE RAILROAD GRADE CROSSING FREEZE.

Not later than two years after the date of enactment of this Act, the Secretary shall initiate a rulemaking proceeding to issue regulations which:

(a) impose a freeze on the total number of railroad grade crossings in each State of the United States of America;

(b) after the effective date of the regulation require any new railroad grade crossing opening to receive the specific approval of the Federal Rail Administrator;

(c) require that unless otherwise in the public interest, or necessary to facilitate interstate commerce, three existing railroad grade crossings be closed in the requesting State for each new railroad grade crossing opened after the effective date of this regulation.

(d) permit the Federal Rail Administrator to waive the application of this regulation once a State has achieved significant and sufficient reductions in the total number railroad grade crossings or has an optimal number of railroad grade crossings for the entire State.

#### SEC. 10. RESEARCH PRIORITIES.

The Secretary of Transportation shall incorporate the enhancement of railroad grade crossing safety, the prevention of trespassing on railroad property, and the prevention of vandalism to railroad grade crossing safety devices, signs, and equipment into the research, technology development, and testing priorities of the Department of Transportation. In carrying out activities authorized by this Act, the Secretary shall consult with such other governmental agencies concerning the availability and affordability of appropriate technologies, especially defense related technologies for application to railroad crossing safety, trespass and vandalism prevention and other rail safety initiatives.

#### SEC. 11. EMERGENCY NOTIFICATION OF GRADE CROSSING PROBLEMS.

**TOLL FREE TELEPHONE NUMBER.**—The Secretary of Transportation shall designate not later than one year after the date of enactment of this Act, and thereafter maintain an emergency notification system utilizing a toll free "800" telephone number that can be used by the public to convey to railroads, either directly or through public safety personnel, information about malfunctions or other safety problems at railroad-highway grade crossings.

#### ADDITIONAL COSPONSORS

S. 359

At the request of Mr. DECONCINI, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 359, a bill to require the Secretary of Treasury to mint coins in commemoration of the National Law Enforcement Officers Memorial, and for other purposes.

S. 1329

At the request of Mr. D'AMATO, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 1329, a bill to provide for an investigation of the whereabouts of the United States citizens and others who have been missing from Cyprus since 1974.

S. 1677

At the request of Mr. HATFIELD, the name of the Senator from Wisconsin [Mr. FEINGOLD] was added as a cosponsor of S. 1677, a bill to prohibit United States military assistance and arms transfers to foreign governments that are undemocratic, do not adequately

protect human rights, are engaged in acts of armed aggression, or are not fully participating in the United Nations Register of Conventional Arms.

S. 2068

At the request of Mr. PRESSLER, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 2068, a bill to authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system, and for other purposes.

S. 2183

At the request of Mrs. HUTCHISON, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 2183, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the signing of the World War II peace accords on September 2, 1945.

S. 2272

At the request of Mr. DECONCINI, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 2272, a bill to amend chapter 28 of title 35, United States Code, to provide a defense to patent infringement based on prior use by certain persons, and for other purposes.

S. 2273

At the request of Mr. HOLLINGS, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 2273, a bill to reduce Government spending by \$100,000,000,000 each fiscal year until a balanced Federal budget is achieved.

S. 2283

At the request of Mr. SHELBY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 2283, a bill to amend title XVIII of the Social Security Act to provide for coverage of prostate cancer screening and certain drug treatment services under part B of the Medicare Program, to amend chapter 17 of title 38, United States Code, to provide for coverage of such screening and services under the programs of the Department of Veterans Affairs, and to expand research and education programs of the National Institutes of Health and the Public Health Service relating to prostate cancer.

S. 2347

At the request of Mr. SASSER, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 2347, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 150th anniversary of the founding of the Smithsonian Institution.

S. 2380

At the request of Mr. METZENBAUM, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2380, a bill to encourage seri-

ous negotiations between the major league baseball players and the owners of major league baseball in order to prevent a strike by the players or a lockout by the owners so that the fans will be able to enjoy the remainder of the baseball season, the playoffs, and the World Series.

#### SENATE JOINT RESOLUTION 178

At the request of Mr. DOMENICI, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of Senate Joint Resolution 178, a joint resolution to proclaim the week of October 16 through October 22, 1994 as "National Character Counts Week."

#### SENATE JOINT RESOLUTION 209

At the request of Mr. COCHRAN, the name of the Senator from Maine [Mr. MITCHELL] and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 209, a joint resolution designating November 21, 1994, as "National Military Families Recognition Day."

#### SENATE CONCURRENT RESOLUTION 66

At the request of Ms. MIKULSKI, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of Senate Concurrent Resolution 66, a concurrent resolution to recognize and encourage the convening of a National Silver Haired Congress.

#### AMENDMENT NO. 2404

At the request of Mr. EXON the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of Amendment No. 2404 intended to be proposed to S. 1822, a bill to foster the further development of the Nation's telecommunications infrastructure and protection of the public interest, and for other purposes.

#### AMENDMENT NO. 2561

At the request of Mr. DODD the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of Amendment No. 2561 proposed to S. 2351, an original bill to achieve universal health insurance coverage, and for other purposes.

### ADDITIONAL STATEMENTS

#### BUILDING FOR PEACE

• Mr. MACK. Mr. President, the Middle East peace process has progressed at a truly unbelievable pace over the course of the past year. We were all moved when Israeli Prime Minister Yitzhak Rabin and PLO Chairman Yasser Arafat came to the White House last September 13 to sign the historic Declaration of Principles.

Since then, agreements have been signed between Israel and the PLO on April 29 to coordinate their economic relationships and on May 4 to facilitate Israeli withdrawal from Jericho and Gaza. The agreements with the PLO set the stage for King Hussein to come to Washington to sign an agreement

ending Jordan's state of belligerency with Israel.

Talks are underway to determine if Israel will be able to reach an agreement with Syria. Hopefully, these talks will eventually lead to another historic signing in Washington.

Mr. President, these diplomatic accomplishments are great and will, hopefully, set the stage for real peace in the region. But diplomatic agreements can only provide the outlines of peace. The real test will come in the daily lives of the people who live there. Israeli citizens and Palestinians and Jordanians must see that the peace will benefit their daily lives for this process to have any hope of ultimate success.

To a large degree, this will be measured in improvements in the well-being of the lives of these people. The first step in this will be to improve the economic conditions and create stability and prosperity in the territories.

Two steps have been undertaken to accomplish these goals.

First, those nations with a stake in this peace process, led by the United States, have pledged funds to the Palestinian Authority to help them build infrastructure projects—roads, telecommunications, housing, waste removal systems and water projects.

Second, efforts are underway to assist the Palestinians to build their private sector. We must focus upon the private sector so that the Palestinians do not come to rely in the long-term upon international contributions. They must be able to develop their own business ventures capable of providing meaningful employment for their people.

Only when the underlying socioeconomic discontent is addressed at the grassroots level, can the peace process flourish. Without the basic dignity that jobs provide, people could easily continue to fall prey to the wishes of extremists.

A new organization called Builders for Peace was established last November in order to promote these economic objectives. This nonprofit organization was set up to foster relationships between the United States and Palestinian commercial communities.

Builders for Peace is an important contribution to help develop the economy of the region and assist in the overall peace process.

Builders for Peace is a unique organization. It has two copresidents, former Congressman Mel Levine and Dr. James Zogby, the president of the Arab-American Institute. These two former adversaries are now working together to promote American investments in the Palestinian territories.

The organization has boards of directors and advisers comprised of leaders of the American-Arab and Jewish communities. Again, many of these people have been adversaries for years and now they are also working together.

Builders for Peace has helped to stimulate a number of projects that will soon be underway. These projects will serve as tangible evidence of the support for the peace process by the American private sector.

Mr. President, Builders for Peace is an organization that deserves our support, just as it has the support of this administration, the Israel Government, and the PLO leadership.

Its potential to assist the peace process is enormous and I hope that the Congress will lend its support to these endeavors.●

#### AFFORDABLE HEALTH CARE NOW ACT—S. 1533

● Mr. LOTT. Mr. President, I would like to take this opportunity to introduce a refined version of the Affordable Health Care Now Act. I ask to include an analysis of the changes made in S. 1533.

The material follows:

##### CHANGES IN S. 1533

Language providing clarification and additional standards governing purchasing groups.

Eliminate pre-existing condition exclusion if employee elects coverage when first eligible.

Update insurance reform language, moving away from rating band approach to community rating and using basically the consensus standards developed by the insurance industry, large and small. Include language allowing discounts for wellness programs, etc.

Require small employers of 50 or fewer employees who self-insure to have re-insurance (stop-loss) policies. Allow small self-insuring employers to be included in state-established risk adjustment programs.

Require insurance companies currently serving the individual market to serve all individuals.

Include "patient protection" standards for managed-care plans.

Increase funding for rural care programs.

Eliminate the Federal retirement age increase section of the bill.

Standards for long-term care.

Allow Medicare recipients a greater choice of health plans.

Establish marketing standards setting forth information insurance companies must make available regarding their plans.

Adjustments in anti-trust reform language.

Eliminate the following tax breaks for long-term care: Tax-free exchanges of life insurance for LTC policies. Use of IRA and 401(k) funds for LTC insurance. Permit exclusion for accelerated death benefits.

Limit SSI and Medicaid for resident aliens.

Repeal duplicative vaccine program.

Limit SSI for drug abusers.

Extend current law setting Medicare Part B premiums to cover about 25% of average benefits (sunset in 1999).

Extend current law requirements for Medicare secondary payers (sunset of 1996).

Establish a program of assistance for low-income individuals, to be operated through the states. Priority will be given to children from families below 185% of poverty, pregnant women below 150% of poverty, and other individuals below 150% of poverty, in that order. Federal assistance would amount

to approximately \$90 billion over 10 years and would be financed by the offsets in the bill plus a 25% reduction in disproportionate share payments.

#### AFFORDABLE HEALTH CARE NOW ACT IMPROVED ACCESS TO AFFORDABLE HEALTH CARE COVERAGE

I. All employers must offer, but are not required to pay for, insurance to their employees.

II. Small group insurance reform:

A. Insurers must offer small employers standard and catastrophic plans with an actuarial value range as determined by the National Association of Insurance Commissioners. They may also offer a Medisave Plan.

B. Small group is defined as employers with between 2-50 employees.

C. Risk pools would be established to spread insurer risks.

III. Employee Insurance Security:

A. Employees cannot be excluded from insurance coverage because of preexisting conditions.

B. Employees are assured of continued insurance coverage when changing jobs.

IV. Promoting More Affordable Insurance Coverage:

A. Increase tax deductions for the self-employed to 100% and provide deductions for employees who purchase their own insurance.

B. Exempt all group health plans from state benefit mandates.

C. Prohibit state restrictions on managed care.

D. Establish standards and incentives for multi-employer insurance purchasing groups.

E. Eliminate current IRS regulatory barriers which prevent employer groups from being able to offer tax-exempt health insurance.

V. Family Medical Savings Accounts (Medisave).

VI. Reforming Medicaid:

A. Permit states to utilize private insurance for Medicaid beneficiaries.

B. Permit uninsured people to buy-in to the Medicaid program, with graduated subsidies up to 200% of poverty.

VII. Expansion of Community Health Center Program.

VIII. Expanded Rural Health Care Services.

IX. Long-term Care.

#### HEALTH CARE COST CONTAINMENT

I. Malpractice Reform.

II. Administrative Reform:

A. Streamlined Paperwork.

B. Electronic Billing.

C. Merge Medicare Parts A and B.

III. Anti-trust Reforms.

IV. Anti-fraud provisions.

V. State Medicaid flexibility.

#### THE AFFORDABLE HEALTH CARE NOW ACT, S. 1533, REAL REFORM, THE COMMONSENSE WAY IMPROVES ACCESS TO AFFORDABLE HEALTH CARE COVERAGE

Insurance Security:

Employees are assured access to affordable health insurance through their employer.

Employees cannot be excluded from insurance coverage because of pre-existing conditions.

Employees are assured of continued insurance coverage when changing jobs.

Bridges the gap for low-income workers and early retirees by allowing States to establish group insurance plans available for purchase, with subsidies for the low income.

Promoting More Affordable Insurance:

Encourages and makes it possible for employers to obtain affordable health coverage through group purchasing arrangements.

Requires insurers who sell in the small group market to offer health plans, including a Standard Plan, Catastrophic plan, and a Medisave plan, to all companies who employ 2 to 50 employees. These plans must meet a minimum coverage level as determined by the National Association of Insurance Commissioners.

Limits the insurance premium rate variations charged to small businesses and will limit the annual increases in insurance premium rates.

Encourages group purchasing arrangements by easing paperwork and other regulatory burdens and by eliminating the current IRS regulatory barriers which prevent employer groups (the American Farm Bureau, for example) from being able to offer health insurance.

Tax Fairness:

Increases the tax deduction for self-employed individuals to 100 percent from 25 percent.

Provides 100 percent tax deductibility of the cost of health insurance premiums for all individuals who purchase their own insurance.

Medical Savings Accounts (Medisave):

Allows tax-free deposits to Medisave Accounts to reimburse medical expenses and pay for a long-term catastrophic, Medigap and Medicare premiums.

Reforming Medicaid:

Permits states to use private insurance for Medicaid beneficiaries.

Permits families with incomes up to 200 percent of poverty to buy-in to the Medicaid program.

Expands the Community Health Center Program as the disadvantaged Americans will have access to vital preventive and primary care.

Expands Rural Health Care Services:

Improves emergency medical services in rural America.

Establishes Rural Emergency Access Care Hospitals.

Expands Long Term Care Options.

Provides the same tax benefit for long term care insurance as for other insurance plans.

Allows Americans, the option of using IRA's, 401(k) plans, and life insurance—tax free—to purchase long term care insurance.

Allows states to offer seniors asset protection plans.

PUTS THE BRAKES ON SKYROCKETING COSTS

Reforms the Malpractice and Product Liability System to limit frivolous lawsuits, adequately compensate victims, and reduce defensive medicine costs.

Requires Administrative Reforms to establish a single, standard claim form and encourage the development electronic billing.

Increases enforcement of current laws and closes loop-holes to prevent medical fraud and abuse.

Creates personal Medical Savings Accounts, integrated into the insurance system, that allow you and your doctor to determine the most appropriate course of treatment.

Allows States to establish managed care plans for Medicaid beneficiaries.

Reforms antitrust laws to allow sharing of facilities and equipment by providers, thus reducing overhead.●

#### MEASURE READ THE FIRST TIME—S. 2396

Mr. LAUTENBERG. Mr. President, I understand that S. 2396, the Affordable

Health Care Now Act, introduced earlier today by Senator LOTT, is at the desk.

The PRESIDING OFFICER. The Senator is correct.

Mr. LAUTENBERG. Mr. President, I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2396), entitled the "Affordable Health Care Now Act."

Mr. LAUTENBERG. Mr. President, I ask now for its second reading; and, on behalf of the Republican leader, I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be read for the second time on the next legislative day.

#### ORDERS FOR TOMORROW

Mr. LAUTENBERG. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m., Wednesday, August 17; that following the prayer, the Journal of proceedings be deemed approved to date and the time for the two leaders reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each, with Senator BENNETT recognized to speak for up to 10 minutes and Senator CAMPBELL for up to 5 minutes; and that at 10 a.m., the Senate resume consideration of S. 2351, the Health Security Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. LAUTENBERG. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess, as previously ordered.

There being no objection, the Senate, at 10:12 p.m., recessed until Wednesday, August 17, 1994, at 9:30 a.m.

#### NOMINATIONS

Executive nominations received by the Senate August 16, 1994:

##### NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

JORGE M. PEREZ, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 1996, VICE NINA BROCK, TERM EXPIRED.

##### STATE JUSTICE INSTITUTE

JOSEPH FRANCIS BACA, OF NEW MEXICO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 1995, VICE JAMES DUKE CAMERON, TERM EXPIRED.

ROBERT NELSON BALDWIN, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 1995, VICE CARL F. BLANCHI, TERM EXPIRED.

JENNIFER CHANDLER HAUGE, OF NEW JERSEY, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 1995, VICE SANDRA A. O'CONNOR, TERM EXPIRED.

FLORENCE K. MURRAY, OF RHODE ISLAND, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 1995, VICE MALCOLM M. LUCAS, TERM EXPIRED.

##### THE JUDICIARY

ELAINE F. BUCKLO, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS, VICE JOHN A. NORDBERG, RETIRED.

DAVID H. COAR, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS, VICE ILANA DIAMOND ROVNER, ELEVATED.

ROBERT W. GETTLEMAN, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS, VICE JOHN F. GRADY, RETIRED.

PAUL E. RILEY, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF ILLINOIS, VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

##### IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3383:

##### To be colonel

THOMAS J. ANDERSON xxx-xx-x.  
AUGUST A. BAILEY xxx-xx-x.  
RONALD A. BAKER xxx-xx-x.  
KENNETH PENTTILA xxx-xx-x.  
EDWARD ZGLENSKI xxx-xx-x.

##### CHAPLAIN CORPS

##### To be colonel

STEPHEN R. BARTELLI xxx-xx-x.  
JUNIOR J. BRELAND xxx-xx-x.  
RICHARD N. MAUGHAN xxx-xx-x.

##### MEDICAL CORPS

##### To be colonel

RICKY D. WILKERSON xxx-xx-x.

##### MEDICAL SERVICE CORPS

##### To be colonel

THOMAS C. HEINEMAN xxx-xx-x.  
ROY D. MCKINNEY xxx-xx-x.

##### To be lieutenant colonel

ROBERT B. MORGAN, xxx-xx-x.

##### To be lieutenant colonel

DOUGLAS B. BOCK xxx-xx-x.  
RITA M. BROADWAY xxx-xx-x.  
FREDERICK G. BROMM xxx-xx-x.  
PHILLIP R. BURCH xxx-xx-x.  
MICHAEL W. COLBERT xxx-xx-x.  
JOHN D. CULP xxx-xx-x.  
CRAIG DEUTSCHENDORF xxx-xx-x.  
MICHAEL R. EYRE xxx-xx-x.  
CLARENCE C. FREELS xxx-xx-x.  
THOMAS E. GORSKI xxx-xx-x.  
MICHAEL C. GRAY xxx-xx-x.  
ELLIS E. JOHNSON xxx-xx-x.  
GARY W. JONES xxx-xx-x.  
WILLIAM C. JONES xxx-xx-x.  
WILLIAM KIRKLAND xxx-xx-x.  
JAMES E. LOUIS xxx-xx-x.  
CHARLES F. LUCE xxx-xx-x.  
RICHARD L. NORMAN xxx-xx-x.  
PHILLIP G. PICCINI xxx-xx-x.  
ALFRED E. POOLE xxx-xx-x.  
JAMES W. RAFFERTY xxx-xx-x.  
DALE P. SAYSETT xxx-xx-x.  
MATTHEW STALLINGS xxx-xx-x.  
RICHARD M. TABOR xxx-xx-x.  
JOHNNY R. TREVINO xxx-xx-x.  
JAMES W. UTLEY xxx-xx-x.

##### VETERINARY CORPS

##### To be lieutenant colonel

MARK D. MARKS xxx-xx-x.

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3383:

##### To be colonel

MICHAEL FOSS xxx-xx-x.  
TERRENCE J. NELSON xxx-xx-x.  
PAUL M. SHINTAKU xxx-xx-x.  
ROBERT R. SIMMONS xxx-xx-x.  
CLIFFORD W. WHALL xxx-xx-x.  
GLENN K. YOUNG xxx-xx-x.

##### ARMY NURSE CORPS

##### To be colonel

SARAH L. GILES xxx-xx-x.  
CHRISTINE A. WYND xxx-xx-x.

##### To be lieutenant colonel

TERRY K. CORSON xxx-xx-x.  
REBECCA A. COULTER xxx-xx-x.  
SHANNON L. GOMES xxx-xx-x.  
DENNIS R. KAI xxx-xx-x.  
BRADFORD M. KARD xxx-xx-x.  
JERRY L. LAND, JR. xxx-xx-x.  
GREGORY W. LEONG xxx-xx-x.  
JAMES B. MALLORY xxx-xx-x.  
JOHN C. MCCORMICK xxx-xx-x.  
SHARON MIYASHIRO xxx-xx-x.  
STANLEY SHURMANTINE xxx-xx-x.  
JAMES B. TAYLOR, JR. xxx-xx-x.  
JOSE USON, JR. xxx-xx-x.

## EXTENSIONS OF REMARKS

PASS THE CRIME BILL: KEEP THE  
ASSAULT WEAPONS BAN

## HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mrs. MALONEY. Mr. Speaker, earlier today, I was privileged to stand side by side in New York City with the Attorney General of the United States, Janet Reno, the Governor of New York, Mario Cuomo, the police commissioner of New York City, William Bratton, the U.S. attorney for the southern district, Mary Jo White, and our colleague CHUCK SCHUMER, to urge the House to pass the omnibus anticrime bill with the ban on assault weapons.

I want to congratulate Attorney General Reno for her strong fight to pass the crime bill. She came to a town meeting I hosted in Manhattan way back on Valentine's Day to promote the anticrime legislation. As I said back then, what better Valentine's present could she give to New York than safer streets for ourselves and our children?

Clearly, in New York and across the country, guns and crime are out of control. Most New Yorkers have feared for their lives at one time or another.

A few years ago, three armed thugs broke into my home, physically attacked my daughter, my husband, and me, and put a cold knife to my back. We escaped that attack with our lives. Others have not been so lucky.

We remember all too well the horrible massacre on the Long Island Rail Road. It was carried out by a crazed man with an assault weapon that the crime bill would ban.

Crime is so bad that one of New York's daily newspapers publishes a daily count of how many of our citizens were shot and killed the day before. This year, 621 have been gunned down. Five people were killed just yesterday. One was a 13-month old infant while he slept in his mother's arms.

But last week, the House turned a deaf ear to those victims and their families by rejecting the Federal crime bill on a procedural vote. The crime bill contained an assault weapons ban and more than \$850 million in Federal aid to New York City to fight and prevent crime. After 12 years of declining Federal aid to the cities under previous administrations, this crime bill is undoubtedly the best piece of Federal legislation for my city in more than a decade. And I want to congratulate Mayor Giuliani for putting partisan politics aside and recognizing that in our Nation's cities, fighting crime is simply job No. 1.

Thanks in part to the mayor's input, the crime bill would provide millions of dollars to upgrade police equipment and computer systems that will allow more cops to get out from behind desks and into our streets, and will cover overtime costs.

The crime bill will provide millions for new prison construction. This will ensure that the

bill's "truth in sentencing" provision can be enforced so prison will not be a revolving door. The bill will root out crime with prevention programs, including keeping schools open after hours and on weekends, and providing job training and job creation in high crime areas.

To fight domestic violence, the bill will fund the Violence Against Women Act.

Mr. Speaker, some people say that the crime bill needs to be changed so that it will pass. Some have suggested stripping the assault weapons ban out of it. But I think this bill does not need to change. It is Congress that needs to change. It is time to send a message to criminals and the NRA and pass the crime bill as it is.

It would be a crime to vote against it.

LENA HICKMAN, OLDEST LADY  
LONGHORN AT 100

## HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. PICKLE. Mr. Speaker, last week Mrs. Lena Hickman passed away at 100 years of age. She was preceded in death a few years ago by Judge John E. Hickman, who served as a Texas Supreme Court Justice.

Judge and Mrs. Hickman have made an indelible mark on Austin's history. For over 80 years, this lovable couple has influenced the life of citizens directly and individually. He was chief justice of the Texas Supreme Court, and Lena Hickman graduated from the University of Texas where she excelled at sports and later became an outstanding teacher.

Enclosed is an article from the Austin-American Statesman.

OLDEST LADY LONGHORN, HICKMAN, DIES AT  
100

(By Rebecca Thatcher)

Lena Hickman, the widow of Texas Supreme Court Justice John Hickman and a University of Texas basketball and tennis player in the 1910s, died Sunday after a short illness. She was 100.

Hickman—who had been heralded as the oldest living Lady Longhorn—was a friendly, outgoing woman who stayed active until her last days, said a friend, Nancy Young.

More than 300 people, including UT Women's Athletics Director Jody Conradt, celebrated her 100th birthday at a party in March at the UT School of Law.

"She loved young people. That's why, I think, she stayed so young," Young said. "She gave totally and unselfishly of herself."

Hickman was the official greeter at University United Methodist Church for many years, said another friend, Joan Holtzman.

Holtzman said she met Hickman while looking for a church after moving to Austin in 1949. Holtzman said she thought many members of the church joined because of Hickman's greetings, as she did.

"She was just a wonderful person," Holtzman said. "People of all ages just admired and respected and loved her."

Young said she remembered how Hickman, who moved to the Westminster Manor retirement center about 15 years ago, had a retirement party for her Oldsmobile at the center.

The party was on Groundhog Day, and the guests were asked to bring pictures of their former cars or, in some cases, their old horses and buggies, Young said.

"She loved to have a good time, and she loved for people to have a good time," Young said.

Hickman was born in Waxahachie in 1894. She grew up in Dallas and attended UT, where she lettered in tennis and basketball.

After graduating in 1915, she taught school in Dallas until she married John Hickman, then a Breckenridge lawyer, in 1923.

They moved to Austin when he was appointed to the Supreme Court in 1935. He retired in 1961 and died a year later.

The couple had no children.

Services will be at 1 p.m. Tuesday at University United Methodist Church, with the Rev. J. Charles Merrill officiating. Hickman will be buried in the State Cemetery.

Memorial contributions may be made to the Lena and John E. Hickman Scholarship Fund, UT School of Law, Austin, 78712, or University United Methodist Church, 2409 Guadalupe St., Austin, 78705.

VILLAGE OF RED HOOK, NY,  
CELEBRATES 100TH ANNIVERSARY

## HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. SOLOMON. Mr. Speaker, the village of Red Hook will celebrate its 100th year of incorporation on August 20.

A promotional pamphlet written in 1894 described the area as "a land of plenty this, where health and good living reign," and where "the air is light, clear, and invigorating."

Mr. Speaker, that still describes Red Hook, one of the most delightful, picturesque, and historically rich communities in mine or any other district in the country.

Nestled along the Hudson River in the northeast corner of Dutchess County, Red Hook is a village filled with quaint houses and historic churches. It's a virtual museum of American architecture.

And though we may have come a long way from the days when a week at the Red Hook Hotel cost as little as \$6, Red Hook has retained its small-town look and the small-town virtues which have made America great. Despite its small-town character and despite its quiet country charm, Red Hook still has access to every conceivable convenience.

On July 17, 1894, an election was held to determine whether Red Hook was to be incorporated as a village. Of the 195 votes cast, 138 voted for incorporation, 56 against, with 1

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

blank. On August 21, the same voters returned to the polls to elect a president, two trustees, a treasurer, and a collector. Two days later, the village board met for the first time and elected a clerk.

The first village president was Dr. Harris L. Cookingham. The title of president was changed to mayor in 1928.

Mr. Speaker, I ask all members to join me in wishing the village of Red Hook and all its residents all the best as it begins its second century.

#### HONORING GARY E. STRONG

#### HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. BAKER of California. Mr. Speaker, public service is a unique calling, one deserving of the highest standards of professional competence and dedication. These attributes are found to an unusual degree in California's State Librarian, Gary E. Strong.

Gary Strong has served the people of my home State since 1980 as State Librarian. As he moves on to serve the people of New York as director of the Queens Borough Public Library, his remarkable career in the Golden State has included many highlights that merit acknowledgment. A few of these achievements include:

- Initiation of the California State literacy campaign, now functioning in 84 libraries statewide;

- Passage of the Library Construction and Renovation Bond Act and the California Library Services Act;

- Creation of the California Research Bureau;

- Establishment of 81 California Library Campaign programs;

- Service as a consultant to the Library of Congress.

He has been committed to innovative, long-range programs designed to make libraries more user-friendly for all of California's citizens. First appointed by Governor Jerry Brown and reappointed by Governor Pete Wilson, his service has transcended partisan allegiance and has been devoted to helping ordinary Americans discover the life of the mind and the renewal of the spirit in the printed word.

Recognized by his peers for his stellar accomplishments, he is a distinguished alumnus of the University of Michigan School of Library Science and has been a leader in the American Library Association for years.

Mr. Speaker, on behalf of the people of California, it is my great pleasure and privilege to recognize Gary Strong in the CONGRESSIONAL RECORD. A public servant of the first order, his service will be as missed in California as it will be valued in New York.

#### TRIBUTE TO DON AND MONA RUSSELL ON THEIR 50TH WEDDING ANNIVERSARY

#### HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. DICKS. Mr. Speaker, I rise today in honor of a very happy occasion. On August 1, Don and Mona Russell of Tacoma, WA celebrated their 50th wedding anniversary. Don and Mona have made their home in Tacoma since 1971 when Don retired from the U.S. Army at Fort Lewis, where he was the executive officer of the 3d Armored Cavalry Regiment.

Don Russell had a distinguished Army career of more than 30 years. He served his country in Europe during World War II and at posts in the United States and Korea. He served two tours in the 3d Armored Cavalry Regiment while the unit was in Germany in the 1960's and led the planning and operations for the smooth and efficient redeployment of the regiment to Fort Lewis during Operation Reforger in 1969. For his service in the regiment and at Fort Lewis, Don was awarded the Legion of Merit upon his retirement. After leaving active duty, Don attended Pacific Lutheran University where he earned a master's degree, and he subsequently became a teacher and counselor at schools in the Tacoma area. He was a valued faculty member until his second retirement not many years ago.

Mona Russell also served the United States in uniform. Following completion of studies for a bachelor's degree at the University of Illinois at Champaign, she joined the Women's Army Corps. It was during wartime service in Italy that she met Don Russell, who brought a wounded comrade to the hospital at which she was on duty. After a wartime courtship, they were married in Italy on August 1, 1944, 50 years ago.

The end of the war and brought a short stint in civilian life, and then Don re-entered the Army. Mona turned to the task of raising their young sons, Barry and Brian, while the Army moved the family to posts in the United States and Germany. Like many Army wives of the day, she carried more than her share of the family burden while Don was on duty in Korea. Following Don's Army retirement, Mona re-entered the workforce, fulfilling various duties in the transportation office at Fort Lewis.

Mr. Speaker, Don and Mona Russell have been outstanding members of the Tacoma community for more than 20 years. It takes great pleasure in bringing to the attention of my colleagues in the House their story of citizenship, service to our Nation and our community, and their strong family commitment.

#### OBSERVANCE OF THIRD ANNIVERSARY OF UKRAINIAN INDEPENDENCE

#### HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. LEVIN. Mr. Speaker, on August 24, 1991, the Parliament of Ukraine ended 300

years of autocratic rule by proclaiming the independence of Ukraine and establishing itself as a separate nation. The enormity of this endeavor, and subsequent ratification of the proclamation by 90 percent of Ukraine's population, cannot be understated. Over 50 million Ukrainians finally knew the freedom Americans have long enjoyed.

This August 21, I will join my Ukrainian neighbors in Warren, MI, for an observance of the third anniversary of this historic event. The Ukrainian Cultural Center will be the site of a festive celebration of liberty in Ukraine, and I will be honored to be a part of that celebration.

I urge the entire U.S. Congress to take a moment to recognize the independence of Ukraine. It is a rare opportunity to honor a country that has overcome Communist domination and established itself as a full partner in the world's free-market economy.

Mr. Speaker, it is truly remarkable that a society burdened by communism for the last nine decades has not lost one iota of its cultural pride and heritage. And those Ukrainians who have chosen to make their home in the United States have embraced and promoted their ancestral culture, while contributing to America's ethnic diversity.

Mr. Speaker, I am pleased to have the opportunity to recognize both the anniversary of Ukraine's independence and honor the activities of Ukrainian-Americans.

#### SALUTE TO HONOLULU FIREFIGHTERS

#### HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. ABERCROMBIE. Mr. Speaker, I rise today to recognize the important contribution the Honolulu Fire Department has made to promote safety in our community. National studies show that young children along with the elderly constitute the group at highest risk to fatalities caused by fires. The Honolulu Fire Department has developed a unique program to reach children and educate them about fire safety.

Recognizing the role that schools play in reaching young people, the Honolulu Fire Department Fire Fighter Safety Guide [FFSG] promotes fire safety through a planned, pictorial program originating at the elementary grade school level. The FFSG Program, originated and implemented in 1985, reaches approximately 150,000 students each year. The FFSG is designed to foster education, awareness, and pride in a fire safe environment. The primary focus is to encourage all parents, students, and teachers to draw up a fire escape plan for their homes and learn about fire prevention and response.

Prior to Fire Prevention Week in October of each year, FFSG's are distributed by firefighters to all private and public Hawaii elementary schools. Teacher distribute and explain the FFSG's to students. Students then design an escape route from their homes and indicate assembly points outside of their homes for accountability of family members.

Parents assist children in drawing escape plans and sign them before submittal to teachers, who add their signatures of approval.

Each school administrative coordinator notifies the nearest fire station when all the guides are complete, compiled, and ready for pickup. Included with the completed guides is the name of one finalist per class per grade selected by the teacher to be represented for a special student grand prize drawing. Selection of the finalist is based on completeness of the escape plan, correct answers, and coloring ability.

Firefighters review the 150,000 FFSG's with a special interest toward the student's fire escape plan, affix a signature of approval, and attach an FFSG Award poster. The poster is bordered by 18 free incentive coupons by various sponsors. Free airline tickets, admission to museums and restaurants, and redeemable coupons are provided to every student that completes the FFSG.

The Honolulu Fire Department's Fire Fighter's Safety Guide has proven to be the most effective fire safety project for the State of Hawaii. Cases of children being responsible for saving their families and neighbors from fire, due to fire safety awareness, have been documented in Hawaii. In addition, the awareness of children and their families has reduced fire hazards and prevented fires entirely.

Again, I commend the Honolulu Fire Department for their efforts to promote safety and save lives in this ninth year of the FFSG Program. From myself and all the citizens of Hawaii I want to recognize and salute the Honolulu Fire Department's achievements.

#### A TRIBUTE TO DANFORD B. CRANE

##### HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. BILBRAY. Mr. Speaker, I rise today to pay homage to a man revered by myself, the Mormon Church, and the Las Vegas community. Danford B. Crane moved to Las Vegas at the age of 28 and as one of the founding pioneers of Las Vegas, he became involved in missionary work for the church. Upon his arrival in Las Vegas, Mr. Crane apprenticed at a barbershop in the old Apache Hotel and later opened three of his own barbershops on East Charleston Boulevard, Second Street, and Fifth Street. Mr. Crane's true passion was for the Mormon Church and after becoming bishop of the first ward, he later went on to be appointed as a counselor in the Las Vegas stake presidency to supervise the work of several local wards. Later, Mr. Crane became a patriarch in the Las Vegas stake which permitted him to bestow special blessings on members of the church. He and his wife, Lila, who passed away in 1991, visited St. George, UT, weekly for 7 years to work at the Mormon Temple. Mr. Crane's charity and service work also includes several years of work for the Boy Scouts Club in Las Vegas. Danford Crane's attributes of loyalty and service to the community will be sorely missed and I appreciate this opportunity to honor him in the RECORD.

#### COMMEMORATING THE THIRD ANNIVERSARY OF THE INDEPENDENCE OF UKRAINE

##### HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. CARR. Mr. Speaker, next Wednesday marks the third anniversary of the declaration of Ukrainian independence. This is an occasion for great celebration in this large and ancient European nation, which had been denied self-rule for nearly 300 years.

The newly independent Ukraine encompasses an area and population larger than Poland, Hungary, and the former Czechoslovakia combined. The people of Ukraine have their own distinct and rich language and culture, which they have proudly preserved through the many years of Russian, Polish, Hapsburg, and Soviet rule. Ukrainian Americans have also kept that language and culture very much alive in this country, a constant reminder to each of us of the value of treasuring our own heritage.

As the fourth year of Ukrainian independence begins, we must renew our Nation's commitment to helping this young country strengthen its democratic institutions and its free market economy. The transition from Soviet Republic to independent democracy is not an easy one. As a nation fervently committed to freedom and democracy, we must continue to help Ukraine grow and flourish.

I ask you to join me today in celebrating the third anniversary of Ukrainian independence, as Ukrainian Americans all across our own great country celebrate the unique culture which they have treasured and preserved, and which once again has a place to call home.

#### HUMAN RIGHTS IN UKRAINE

##### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. HOYER. Mr. Speaker, Ukraine, one of the most important countries in Europe today, is in the midst of a profound transition from a colony of a multinational empire to a full-fledged state. One relatively bright spot, despite considerable political and economic difficulties, has been in the critical area of respect for human rights.

By all standards, human rights are much more widely respected now than they were during Soviet rule, and citizens generally are free to speak, act and believe as they see fit. The Government's positive attitudes and policies toward its minorities have kept Ukraine from facing the kinds of interethnic conflicts that plague so many other countries in the region. Despite this real progress, however, there are several issues that cast a cloud over Ukraine's generally positive record.

Ukraine's newly elected President Leonid Kuchma has issued an anticrime edict, similar to that of Russia's President Yeltsin, which violates international human rights standards and basic notion of due process and fairness.

Under the edict, which is in effect until January 1, suspects who have not been charged with a crime may be held in custody for up to 30 days. This is especially troubling in the context of a criminal justice system that already has serious problems. A recent review of criminal procedures by the General Procureur of Ukraine, for example, pointed to numerous procedural violations, including that of 250 detained individuals whose cases have not come to trial for at least 18 months.

Mr. Speaker, I am deeply concerned about the recent appointment of Volodymyr Radchenko as Interior Minister. Mr. Radchenko, a lieutenant-general in Ukraine's Security Services, served in the KGB; in the 1970's, he interrogated several notable political prisoners, including some members of the Ukrainian Helsinki monitoring group. While reputed to be tough on crime, an obviously critical issue in Ukraine and virtually all post-Soviet countries today, Radchenko's appointment in a country where the rule of law is not yet deeply rooted cannot help but raise flags of concern for the direction that Ukraine is set on.

Mr. Speaker, on August 24, Ukrainians worldwide will celebrate the third anniversary of their declaration of independence. Against great odds, and confounding its detractors, Ukraine is not only surviving as a state but, with new leadership, increasingly confronting its many challenges. It is my hope that as Ukraine works to overcome the legacy of the past, its leadership will remember both the importance of human rights in crushing the Soviet empire and in building a genuinely democratic and prosperous state.

#### TRIBUTE TO DAN RAMIEREZ

##### HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. PACKARD. Mr. Speaker, I rise today to pay tribute to a truly outstanding athlete, Mr. Dan Ramirez of Oceanside, CA. Mr. Ramirez recently competed at the U.S. Olympic Festival in St. Louis. He won a gold medal in the 105.5 pounds freestyle wrestling event.

Mr. Ramirez has competed in numerous national competitions. His career is distinguished with such accolades as finishing second at the University National Competition in 1994, finishing third at the University National Competition in 1993, finishing sixth in the U.S. Open in Las Vegas, NV, finishing third in the 1993 Olympic Festival, and finishing seventh in the California State Championships. Further, he is a two time Master Champion and a university PAC-10 qualifier.

Mr. Dan Ramirez will complete his undergraduate university education at California State University Fullerton this May. He will graduate with a B.S. degree in business. I commend Dan for his achievements thus far and wish him the best in his future endeavors.

Mr. Speaker, I hope you and my colleagues will join me in recognizing the accomplishments of Dan Ramirez. It is my sincere belief that Mr. Ramirez will further distinguish himself in the sport of wrestling. I join friends and family who salute him.

## 1994 ENVIRONMENTAL EDUCATION AWARDS

## HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. MILLER of California. Mr. Speaker, a broad public appreciation of the importance of sound environmental policies has grown up in America over the past quarter century. Despite the rhetoric and partisan efforts of late to stigmatize environmental policy—by calling it antiproperty, antijobs, and bad for the economy—most Americans rightly reject this narrow point of view. In fact, as the recent survey by Roper for Times-Mirror indicates, a clear majority of Americans continues to place a high priority on enactment and enforcement of sound environmental policies, and also believes—correctly—that a strong economy and a well-managed environment can proceed mutually.

Americans believe in the importance of environmental policy because they have seen, first hand, the effects of ignoring air pollution, of destroying forests and wetlands, of allowing hazardous and toxic materials to run into our rivers and streams. They want the magnificence of our natural resources to be protected for the enjoyment and the use of future generations. They want a responsible and managed use of our resources, and they strongly support recycling and environmentally friendly products.

We must also assure that those future generations understand and appreciate the critical importance of sound environmental policies. And that was why, in 1990, I introduced the National Environmental Education Act, which was passed by Congress and signed into law by President Bush. A national policy and goal for environmental education was set, and the national environmental education and training foundation was created to join the efforts of the private and public sectors.

The National Environmental Education and Training Foundation supports proactive environmental education projects to leverage existing resources and bring focus to the diffuse environmental education world. With grant money the Foundation receives from the Environmental Protection Agency's Office of Environmental Education, challenge grants are made to encourage the private sector to participate in environmental education. The environmental education and training activities funded by the Foundation are intended to be innovative and to increase the current levels of environmental knowledge.

The Foundation has funded more than \$2,000,000 in environmental education programs since its inception. In their 1994 spring grant cycle a total of \$960,826 in matching grants were awarded. Today, I would like to give recognition to the organizations awarded grants and submit their names into the CONGRESSIONAL RECORD.

I know that all Members wish to join me in commending the National Environmental Education and Training Foundation for its efforts.

Matching grant  
(dollars)

Colorado Environmental Education Master Plan, Colorado Alliance for Environmental Education, Denver, CO .....	78,000
Project CROAK!, Metropolitan School District of Perry Township, Indianapolis, IN .....	75,426
Neighborhood Environmental Leadership Institute, Citizens Committee for New York City, New York, NY .....	75,000
Earth Service Corps: Environmental Education and Action, YMCA Earth Service Corps, Seattle, WA .....	75,000
Urban Environmental Education and Training Program, Clean Air Council, Philadelphia, PA ..	60,000
Satellite Delivery of Environmental Education for Professionals, National Technological University, Fort Collins, CO .....	60,000
Rural Education on Non-point Pollution, Utah State University, Logan, UT .....	60,000
Business Environment Learning and Leadership (BELL), Management Institute for Environment and Business, Washington, D.C. ....	50,000
Solar Energy Research & Demo Project, Rising Sun Energy Center, Santa Cruz, CA .....	48,000
Environmental Career Orientation, Foundation for Youth, Columbus, IN .....	40,000
High School for Environmental Studies, Council on the Environment of New York City, New York, NY .....	40,000
Waste Reduction Demonstration Project, Harlem Environmental Impact Project, New York, NY ..	40,000
Wonders of Wetlands (WOW!) Training Program, Environmental Concern Inc., St. Michael's, MD .....	38,000
Project CEE (Culture, Environment, & Education), Prescott College, Prescott, AZ .....	30,000
The Urban Education Project, Denver Audubon Society, Denver, CO .....	25,000
Windows on the Wild, World Wildlife Fund, Washington, D.C. ....	25,000
Octopus-2 Outreach Program, Friends of Cabrillo Aquarium, San Pedro, CA .....	24,000
Multi-Cultural & Urban Environmental Education, North American Association for Environmental Education, Washington, D.C. ....	20,000
Toxic Fingerprints, Alliance for Acid Rain Monitoring (ALLARM), Dickinson, PA .....	15,000
Green Gardens, Alliance for Community Education, Bowie, MD ..	10,000
To The River, Anacostia Watershed Society, College Park, MD ..	10,000
National Envirothon, NC Association of Soil and Water Conservation Districts, Raleigh, NC ..	10,000

## WHAT MAKES AMERICA GREAT

## HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. SKELTON. Mr. Speaker, often, we wonder about the greatness of our country and what makes America what it is. An intern in my office, John Carr, composed an essay entitled, "What Makes America Great." He was assisted by two other interns, Sean Fahey and Julie Gibson. I am convinced these young people will, in their day and time, add their full measure to our country. I commend this essay to the Members of this body:

## WHAT MAKES AMERICA GREAT?

How did it happen? Why is it that the United States—from more than 130 nations—has come to possess the greatest society in the history of human civilization? A society which has not only endured, but continues to progress through decades of unparalleled world transformation. Quite simply, we earned it.

The people of America possess a unique spirit . . . a gleam in the eye which is not found anywhere else in the world. It is a Show-Me-Attitude. Show-me what needs to be done and move aside. It is this reason why we, as Americans, have constructed the greatest civilization in the history of the world. President John F. Kennedy was correct when he stated, "after the dust of centuries has passed over our cities, we, too, will be remembered not for our victories or defeats in battle or in politics, but for our contribution to the human spirit."

Personally, I believe our contribution to the human spirit has been, and will continue to be manifested through our unique American character. This character has been forged by centuries of hardwork and dedication. This effort has not been, nor will it be in the future, easy.

A few people in America today assume that a productive and enjoyable life should be easy. I can assure you that such is not the case. The hardy pioneers who settled my home state of Missouri, did not emerge from the wilderness to find the fields cleared and planted—the cabins built and stocked. What they did find was a wild land of promise and excitement. Years of intense labor . . . produced for their children and grandchildren fields which were cleared and planted—cabins which were built and stocked. But from our greatest sacrifices come our greatest accomplishments.

Examine the early history of our country. The summer of 1776—The Founding Fathers, gathered in Philadelphia, expressed the ideals and spirit of the most enlightened human beings of their time. With an understanding of the tremendous importance of the experiment which was about to begin, the founders of this nation established a government based on the rule of law—not men—which guaranteed for the first time basic, fundamental human rights.

The spirit which charted the course of Democratic government for the world also challenged American men and women to great achievements in all endeavors—health, science, government, and space . . . reflected in names such as Walter Reed and Clara Barton, the Wright Brothers, Amelia Earhart, Andrew Jackson and Harry Truman, John Glenn and Neil Armstrong.

Americans are free to pursue and enjoy the essence of the human spirit—OPPORTUNITY. Immigrants—by the millions—from

the far reaches of every continent—flocked to this land of opportunity in search of the "American Dream." . . . the hope that dedication and achievement would be rewarded with the simple betterment of life. They, and we, succeeded.

Our contributions to the human spirit have been immeasurable. For more than 218 years, America has served not only as an example, but an inspiration to the rest of the world. Why? Because our individual liberties, thwarted only by the guidance of our conscience, have sparked periods of achievement and innovation never before imagined. From the settlement at Jamestown—to the lab of Thomas Edison—to the beachhead on the shores of Normandy—to the launch pad at Cape Canaveral—Americans have protected, maintained, and advanced.

With the European discovery of the New World, to the exploration of the western frontier, to the 49'er goldrush, this land was explored and settled by individuals dedicated to the betterment of their nation, community, family, and themselves. Never has a country been settled by such a diverse mix of individuals and families united by the quest for a better life.

The proof of our tenacity is in the pudding. Take, for instance, the troops at Valley Forge. Camped during the winter of 1777, hundreds of Continental soldiers voluntarily endured extreme hardship—below-zero temperatures, lack of shoes and blankets, outbreaks of pneumonia, shortages of food—their one goal the establishment of a fair and equitable government for their families and their neighbors.

The Homestead Act. Passed in 1862 during the heart of the War Between the States, this Act provided the anxious pioneers an opportunity—go west with your family, settle a piece of land, and you could keep it. Thousands of Americans took advantage of this opportunity, wrought with extreme hardship, to provide their families with a better life. The classic story of Laura Ingalls—a childhood favorite—provides a moving recollection of one such journey.

Indeed, the Westward Movement was what made our nation unique. The conquering of the western frontier was a different kind of struggle, a movement without parallel in world history. Nowhere else has an area of equal size been settled in so short a time entirely as a result of quiet courage and initiative of small groups.

America is about taking risks, taking bold steps. At times, these risks have led to failure. We, as a nation, have many faults, many shortfalls. But the only thing worse than failing is not to have tried. Teddy Roosevelt said it best: "Far better is it to dare great things . . . than to take rank with those poor spirits who neither enjoy much nor suffer much, because they live in the gray twilight that knows not victory nor defeat."

#### EVERETT HUTCHINSON—SERVED THREE PRESIDENTS

#### HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. PICKLE. Mr. Speaker, the dedicated life of Everett Hutchinson, the first Deputy Secretary of Transportation, has enriched in the lives of every citizen of our country.

During his years of service as Commissioner of the Interstate Commerce Commis-

sion and later as Chairman of the ICC, followed by his appointment as Deputy Secretary of the Department of Transportation and finally as a prominent attorney of Washington, DC, Everett Hutchinson has been one of Washington's leading attorneys, as well as been a generous public servant and civic leader.

My friendship with this good man goes back to my University of Texas days when I was fortunate to be associated with Everett Hutchinson, as well as his energetic and dynamic wife, Elizabeth Stafford Hutchinson. Together these two individual have been prominent citizens of the Washington community for over 40 years.

An evening with Everett Hutchinson is an experience of history, literature and high humor. There just hasn't been a better man born than Hutch, as we affectionately called him, and it is a good feeling to know that this graduate of the University of Texas would be recognized by Presidents Eisenhower, Kennedy, and Johnson. Hutch was old reliable, a steadfast individual, and Elizabeth Hutchinson has been the Pearl Mesta of our town.

Mr. Speaker, I am attaching the program from the services of this good man held on Sunday, April 10, 1994 at St. Alban's Episcopal Church, Washington, DC.

#### EVERETT HUTCHINSON

Everett Hutchinson, 79, a partner since 1968 in the Texas law firm of Fulbright & Jaworski L.L.P., who served three Presidents in various capacities, died of a heart attack April 6, 1994, at his home in Bethesda, MD. A native of Hempstead, Waller County, Texas, who received his B.B.A. and J.D. degrees at the University of Texas, Hutchinson was appointed by President Lyndon Johnson as the first Deputy Secretary of Transportation when the Department was created in 1967. He was president of the National Association of Motor Bus Owners at the time of the appointment. Prior to his assignment with the motor bus industry, Hutchinson served as Commissioner of the Interstate Commerce Commission for 10 years, first appointed by President Eisenhower in 1955, and became Chairman of the ICC in 1961, under President Kennedy.

In April, 1961, President Kennedy appointed Hutchinson a member of the Administrative Conference of the United States. In 1962, he was appointed to the President's Special Committee to study passenger transportation in the Boston-Washington corridor and later served on the High Speed Ground Transportation Advisory Committee. In October, 1961, he headed the U.S. Delegation to the International Conference on River Navigation in Paris, France.

Hutchinson served in the United States Navy during World War II, including active service in the South Pacific, and held the rank of Captain, U.S. Naval Reserve (Ret.), as a Judge Advocate. He was a member of the 1941 and 1943 sessions of the Texas Legislature and, in July, 1949, was appointed Assistant Attorney General of Texas. Hutchinson was president of the Texas Breakfast Club in 1970 and was 1964-65 president of the Texas State Society of Washington.

While at the University of Texas he was a member of Friars, a group which annually honors the eight outstanding members of the senior class. As a member of Sigma Phi Epsilon Fraternity, "Hutch" was inducted into its Hall of Fame in 1981.

Survivors include his wife of 49 years, Elizabeth Stafford Hutchinson; a son, Stafford,

of Dallas, Texas; a daughter, Ann Hutchinson Slattery of Corpus Christi, Texas; a granddaughter, Chantal Slattery of Corpus Christi, Texas; and a sister, Mrs. Lois H. Cullen of Houston, Texas.

#### CLINTON'S MILITARY: HOLLOW, AND POOR

#### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. SOLOMON. Mr. Speaker, I submit for the record a June 12 New York Times article which describes how poverty is invading the ranks of our Nation's military. Listen to these disturbing facts: Three-quarters of our enlisted people earn less than \$30,000 a year, and the gap between military and civilian pay is increasing. Last year, use of food stamps at military commissaries increased by \$3 million, more than a 10-percent increase over 1992. In certain regions and within certain subgroups, the picture is far worse. For instance, 45 percent of Army enlisted and 46 percent of Marine Corps enlisted earn less than \$20,000 a year. And in Liberty County, GA, near Fort Stewart, 30 percent of the households receiving food stamps are military.

These facts have the military leadership very worried, Mr. Speaker, and with good reason. A force that faces such increasing economic problems is bound to be afflicted by declining morale and too rapid a turnover rate. This situation is a direct threat to readiness, Mr. Speaker.

And what has been the Clinton administration's response to this? A proposed military pay freeze. Yes, the Clinton administration tried to freeze military pay this year and proposed only a 1.6-percent increase for next year. Fortunately, Congress had the foresight and sense of fairness to rebut the administration and approve a 2.2-percent increase, which itself is inadequate.

Mr. Speaker, it is high time we stop the slide toward a 1970's, Jimmy Carter-style force. Recent defense budgets are simply inadequate to maintain the force size and structure we need to continue our global leadership role. They are simply inadequate to maintain our equipment in safe and battle-ready condition. They are simply inadequate to keep our forces honed, trained, and ready. And they are simply inadequate to retain the highest quality personnel we can find. As this article points out, even honor, patriotism, adventure, and specialized training cannot overcome the necessity of feeding one's family.

We are going hollow, Mr. Speaker, and that is why I intend to vote "no" on this week's DOD authorization conference report.

#### NATIONAL CONFERENCE ON RESEARCH SYNTHESIS

#### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. BROWN of California. Mr. Speaker, through my years in Congress, I have become

convinced that many of our Nation's serious problems are social and behavioral in nature. The problems that most concern the public, and take most of our tax dollars, often have no technical solutions but rather human solutions which must be developed through working with the ability and attitudes of the people involved. Consequently, greater knowledge of behavioral and social sciences is a true necessity.

More work in these disciplines can give us important insights into the solutions for many of the social problems that have eroded American society. Progress in these sciences could make a great difference to those in Washington responsible for the public policies and programs that seek to create more opportunity and improve the human condition in America.

We cannot escape the fact that social and behavioral research is funded almost exclusively by the Federal Government. At the same time, this research is often costly because gathering data from large numbers of people is expensive. It goes without saying that we have to do everything possible to get the greatest return possible from funds invested in these areas.

Within the social and behavioral sciences, the developing field of research synthesis has particular potential. Through its focus on reworking original data already gathered and developed by multiple previous research efforts, research synthesis can often deliver more powerful and useful conclusions. By re-evaluating previously developed data in different ways—even from studies that appear to differ in their result—research synthesis can often bring clarity, strengthen findings, and provide new insights.

Policies affecting problems like job training, education, and criminal rehabilitation can benefit greatly from fresh perspectives on existing data. Research synthesis has also proven especially useful in health care where data gathered in the past can yield new insights with tremendous leverage on cost. For example, the effectiveness of aspirin in preventing certain heart conditions and the finding that modest behavioral steps in preparing a patient for surgery can significantly reduce the length of hospital stay where both discerned from already existing data that had been gathered and kept for different reasons.

A National Conference on Research Synthesis was held in Washington last June sponsored by the Russell Sage Foundation and organized by the American Psychological Society. This conference brought together more than 130 senior Federal officials concerned with improving public policy to learn about recent developments in research synthesis. I was especially pleased that the Office of Technology Assessment and the General Accounting Office participated. They should both be encouraged to explore the potential of this area of social science in view of the importance of their role in advising the Congress.

The conference featured the use of synthesis techniques to evaluate research in education, juvenile delinquency, health, and job training with presentations by Frederick Mosteller of Harvard University; Eric Wanner, president of the Russell Sage Foundation; Harris Cooper of the University of Missouri; David S. Cordray and Mark Lipsey of Vander-

bilt University; Elizabeth Devine of the University of Wisconsin-Milwaukee; Larry Hedges of the University of Chicago; Richard Light of Harvard University; and Thomas Louis of the University of Minnesota. Eleanor Chelmsky, Assistant Comptroller General of the General Accounting Office, Iain Chalmers, director of the U.K. Cochrane Centre, and M.R.C. Greenwood, Associate Director of the Office of Science and Technology Policy, gave keynote presentations.

The conference was an outgrowth of a decade-long effort to further the field of research synthesis by the Russell Sage Foundation, which since the late 1940's has been dedicated to strengthening social science research as a means of improving social policies. The American Psychological Society, the American Sociological Association, the American Statistical Association, the American Evaluation Association, and the Society for Research in Child Development cosponsored the event.

The field of research synthesis offers new ways to increase our ability to solve some of the hardest, most challenging issues confronting the Nation today. I commend the Russell Sage Foundation and the cosponsoring organizations for their leadership in confronting the issues.

#### CONFERENCE REPORT ON H.R. 3481, THE INTERSTATE BANKING BILL

##### HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. MAZZOLI. Mr. Speaker, even though I voted for final passage of H.R. 3841, the interstate banking bill, I continue to have reservations about the statute of limitations language included in the conference report. I expressed those same reservations as a Judiciary Committee conferee on the bill.

The House bill did not change State statutes of limitations affecting actions which can be brought against bank directors, officers, and advisors whose actions or inactions contributed to the collapse of the institution involved.

However, the Senate's version of the interstate banking bill retroactively extended State statutes of limitations allowing actions to be brought by the Federal Deposit Insurance Corporation [FDIC] and the Resolution Trust Corporation [RTC] as receivers of failed institutions, against those who brought about the collapse. The Senate language would have permitted claims involving simple negligence to be revived.

During the conference, the House Conferees offered to the Senate Conferees a counterproposal which extended State statutes of limitations for 5 years on expired claims against bank insiders. The standard in the House offering was intentional misconduct resulting in unjust enrichment, or intentional misconduct resulting in substantial loss to the institution. Bank regulators could not reopen cases barred by State statutes of limitations involving simple negligence or even gross negligence on the part of bank officials.

The Conference Committee voted to accept the House proposal. However, I voted against

this language because I feel it could hamper—as stated in letters to the Conferees by bank regulators—the RTC and the FDIC from prosecuting claims against directors, advisors, and officers of failed banking institutions and recovering, on behalf of the taxpayers of the Nation, money advanced to reimburse depositors and investors of failed institutions.

Mr. Speaker, I realize that some of these bank officials were innocent bystanders and not responsible for the skullduggery and the fraud which allowed financial institutions to be treated as the personal piggybanks of the insiders, to be looted and left empty awaiting bailout by the taxpayer. Nevertheless, I could not tie the hands of the Federal regulators—which is what the language now in H.R. 3841 does according to them—so I opposed the House position.

Mr. Speaker, I believe Congress should assist the RTC and FDIC in prosecuting those responsible for bank failures, as the Government can recover money advanced by the taxpayers of America to close these institutions. To do this, the Senate's position on State statutes of limitations should have prevailed.

#### HONORING NORMANDY'S HEROES

##### HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. RICHARDSON. Mr. Speaker, this year's 50th anniversary of the Normandy invasion has once again reminded us about the countless number of heroes who have served our country in war. The hundreds of veterans who traveled to France for the D-day anniversary were warmly greeted by grateful French citizens who were well aware their very existence was due to the American servicemen's heroics.

One such hero, Louis Scheinbaum, was accompanied by his wife Rhoda and son David. David, the owner of a Santa Fe, NM, photography gallery, chronicled his father's historic return using his photographic and literary skills.

The Santa Fe New Mexican presented an excellent summary of the Scheinbaums trip to France. I urge my colleagues to read writer Denise Kusel's outstanding summary as it presents us all with a new appreciation for America, sacrifice and patriotism.

[From the Santa Fe New Mexican, July 4, 1994]

#### IN THE PRESENCE OF HEROES

(By Denise Kusel)

War was a mystery that permeated his childhood. For Santa Fe photographer and gallery owner David Scheinbaum, the mystery was defused when he accompanied his father back to a tiny French village in Normandy for the 50th anniversary of D-Day.

Once there, the people he met—those who had survived the war and children who have only known peace—touched him deeply. It also gave him a new understanding of his father.

"I knew my father was a medic and that he was awarded the Bronze Star for his courage," Scheinbaum said. "But what I didn't know was that my father was a hero."

Scheinbaum eventually spent nine days in France, some of them with a family in La Haye du Puits, a small town south of Cherbourg liberated by his father's 79th Infantry Division. Once there, he became a witness to a chunk of history that continued to unfold as a tour bus filled with WWII veterans rolled into the town.

"Everyone on the bus was welcomed by this town," Scheinbaum said. "The scene was incredibly powerful. Right here, you realize that these guys had come back to a town and they were being welcomed by people who knew that if it were not for these men, there wouldn't be a town. The town's people credit these men with their very existence."

During his visit to France, Scheinbaum kept a journal and watched the events through the lens of his camera. The words he wrote and the photographs he made as a witness to history tell a powerful story.

From his journal:

"When you hear them talk about the battles and hear them describe scenes of death and fighting and then look at these men, it doesn't correlate. They are not the John Waynes or rednecks we imagine the soldiers might be. They are these old grampas. . . . What besides the wrong of war—the Nazis, etc.—could make them able to kill? . . . But I'm really in the presence of heroes and I'm sure proud my father is one of them."

In stark black and white, Scheinbaum's photographs are eloquent in their simplicity. A child playing in the crater left by a bomb, now an inviting grassy knoll. Two old men, their arms linked for support, placing flowers at a monument to the 79th Infantry Division. A lone veteran on the Normandy beach.

From the get-go, David Scheinbaum will tell you war is not his thing. He protested during the Vietnam Era, and at 43, he doesn't remember World War II; no memories, that is, except the stories his father told him at bedtime.

When he decided to accompany his father to Normandy for the D-Day anniversary celebrations in early June, it was a trip he wasn't looking forward to.

"Those nine days will be the longest year I ever spent," he quipped to his wife, Janet Russek, as she dropped him off at the Albuquerque airport for the first leg of his trip.

Three days later, in the very town his father, Lou Scheinbaum, 75, helped liberate 50 years before, David Scheinbaum, the owner of a Santa Fe photography gallery, witnessed another chunk of history. This one touched him directly and left him a changed man.

"There was always this mystery about the war when I was growing up in Brooklyn. It was very much part of our lives," Scheinbaum said. "There were objects in the house we never touched. A Nazi flag. A German beer stein. Don't touch that, was the rule. That's from the war."

"I never understood it, the war. It was this thing my father did. The places and people he remembered were things he spoke about fondly, with pride and humor."

"We never talked about the dreams he would have; the times when he'd wake up screaming in the middle of the night. If I close my eyes, I can still hear this howl thing he would do in his sleep. My father never told us the horror stories."

"As a child, it added to some kind of confusion in my mind. My own involvement with war (in Vietnam) was as a protester. The images of war I was exposed to were nothing like the stories I heard from my father."

Scheinbaum squeezed his eyes shut. "I had my father's war pictures, his snapshots," he

said. "As I grew older, I had less understanding of how my father had this sense of pride. I knew my father was a medic and that he was awarded the Bronze Star for his courage. But what I didn't know was that my father was a hero."

For Scheinbaum, that reality changed when the bus pulled into La Haye du Puits, a small town south of Cherbourg. On it were Scheinbaum, his mother and father and other World War II veterans. Lining the streets, the townspeople stood, waving American flags, and cheering.

"I was in awe. I was moved. Everyone on the bus was crying. I don't cry, but I was crying, too. Just minutes before, I was on this bus filled with senior citizens. It could have been an Elderhostel tour. Suddenly, I was on a bus filled with heroes."

"Everyone on this bus was welcomed by this town. Just being there, it made me one of the group. I was one of them. I could hardly focus the camera. I was just totally blown away."

"I knew this welcome wasn't for me. I was just there with my parents, but this was for Americans. For all Americans. The scene was incredibly powerful. The church bells started ringing. Everyone on the bus was overwhelmed. I began looking at everyone a little differently. They weren't old; they were soldiers returning to a town they had liberated. Right here, you realize that these guys had come back to a town and they were being welcomed by people who knew that if it were not for these men, there wouldn't be a town. The town's people credit these men with their very existence."

Scheinbaum paused, wiped his glasses and smiled shyly. His eyes brightened as he again was caught up in the excitement of that moment, and he ran his fingers through his long, black hair.

"My father has Parkinson's. This past year, he hasn't had a whole lot of facial expression, but in this picture (on the cover of this section) there is more facial expression than I've seen in a year. And sitting on the bus, I just wasn't used to such an open show of emotion."

"We were being treated with such honor and respect. You knew this was love. It wasn't out of a sense of duty. It came right from inside. For me, when I looked at my father, it was like a light going on. That's when I suddenly understood what this war thing was all about for him."

"One of the things that stayed with me long after I returned home was that these people in La Haye du Puits were celebrating 50 years of peace. There's a strong feeling that they want their children to know what happened so that it will never happen again. A lot of the children were involved in every single part of the ceremonies. I had the feeling that the monuments and parades were for their children as much as for the returning soldiers."

"There were these children who have grown up with this image of American heroes. And the way they looked at the returning soldiers, it was as if they were finally meeting the people their parents and grandparents had told them about. They were wide-eyed as they approached these men. They had autograph books. And here I was the son of one of these men and I had no idea about what the importance of what my father did during the war."

Two days later, at official D-Day ceremonies at Omaha Beach, Scheinbaum trained his photographer's eye on the cliffs and beaches.

"When I saw these beaches, it was unbelievable they were so narrow," he said. "The

cliffs almost came right down to the sea. It was like White Sands meets the Sangre de Cristos and the war's on top."

"That afternoon, there were these great ceremonies, pompous and elegant, but the biggest ceremony came after when I would watch these men walking alone on the beach, maybe replaying that battle 50 years ago in their heads. Only they know what they had to deal with there. And they would stand on this beach at Pointe du Hoc (a cliff head that juts out between Utah and Omaha Beach) beneath these 100-foot cliffs where so many of their comrades had lost their lives and reach down a pick up a stone or a little sand and put it in their pockets and walk away in silence."

Scheinbaum's photographs tell this story. In stark black and white, they are eloquent in their uncensored simplicity. A child playing in the crater left by a bomb, now an inviting grassy knoll. Two men, their arms linked for support, placing flowers at the base of a monument to the 79th Infantry Division—the famed Cross of Lorraine Division, disbanded after World War I, the so-called war to end all wars, but reactivated for the invasion of Normandy.

In another photograph, two cemeteries—one German, dark with its Germanic iron crosses, the other American with row upon row of white crosses and an occasional Star of David, but both graveyards dressed with freshly cut flowers.

And finally, a photograph of a labyrinth of barbed wire awesome in its silence and rust and left behind by the Germans some 50 years before at the very top of a cliff above Omaha Beach.

"I knew I wanted to bring my father back for D-Day," Scheinbaum said. "I knew he was ill. I know soon he won't be able to travel much. He's never been back (to France). My mother had never been to Europe. I'd been saving up for about a year to take them."

"In La Haye du Puits, we would be staying with a French family, and to tell you the truth, I was not looking forward to these three days with a strange family. As it turned out, it was one of the best things that's ever happened to me. Suddenly, I had a new family and I'm a different person because of it."

"It absolutely changed my life. All this stuff just clicked and came into place. I never had strangers treat me like that and love me like that," he said, touching his heart.

Scheinbaum, an associate professor of art with a specialization in photography, typically spends years on a photographic project. The event changed the way he works, helping infuse him with a new sense of immediacy. "I shot 16 roles of 36-exposure film," he said. "When I got home, I developed all 16 roles in one day. This has brought back a certain passion for photography I haven't had in a long time."

"It'll take me awhile to process my feelings, but I feel that when it's all sorted out, it gets down to one thing—people. The men who returned and those who honored them, giving thanks for a generation that's known peace."

#### A TRIBUTE TO GARY STRONG

#### HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. FAZIO. Mr. Speaker, I rise today to pay tribute to Mr. Gary E. Strong, State librarian of

California for the past 14 years. Gary recently accepted the position as the director of the Queens Borough Public Library in New York City.

Appointed as State librarian by Gov. Edmund G. Brown, Gary has been instrumental in establishing popular literacy programs throughout the State of California. Under Gary's direction, the California State Library created the California Literacy Campaign and the Families for Literacy Program. Further, Gary Strong was instrumental in working to make the California Library Literacy Services Act law.

Under Gary Strong's leadership, the library has developed the California Research Bureau which is located in the California State Library. The bureau conducts public policy analysis and serves as a valuable instrument for the California Legislature, the Governor and his Cabinet, and other elected State officials. Gary is also responsible for expanding the library's historical collections and its state-of-the-art computer platform that links access to the library from all over the State.

Gary Strong's work as the librarian of the State of California has not gone unnoticed. He was recognized this year at the Government Technology Conference, where he was awarded the Governor's Award for Exceptional Achievement. In 1984, Gary was named Distinguished Alumnus of the University of Michigan School of Library Science and in 1992, received the Exceptional Achievement Award—1992, from the Association of Specialized and Cooperative Library Agencies. His hard work and dedication serves as a model for California's next State librarian. Gary has also been consulted frequently by the Library of Congress on national library issues, and has provided valuable input to the U.S. Congress on Library of Congress matters.

Mr. Speaker, I ask my fellow members to join me in recognizing the important contributions that Gary Strong has made to the California State Library.

#### **SALUTE TO WALT DISNEY'S SUPPORT FOR MINORITY BUSINESS**

##### **HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. TOWNS. Mr. Speaker, we are all aware that the spark which ignites our economy is small business. Historically, minority firms have not been recipients of the lucrative contracts available with large companies. Walt Disney has been a pioneer in developing a program designed to increase opportunities for minority owned businesses, and to maximize the volume of goods and services purchased from those businesses. I want to advise my colleagues of the commendable strides accomplished by the Walt Disney Co. in the area of promoting and utilizing services and products generated by minority firms.

The driving force behind Disney's minority program is Disney Chairman Michael Eisner. His fervent support of the program has been infectious, and each division within the company competes with other divisions to deter-

mine which one has generated the best results based upon achievement goals. To put this point in perspective, in 1983 the Disney Co. did less than \$1 million in business with minority-owned firms in this country. In 1994 that amount will grow to \$100 million. The results generated by the Disney Co. warrant recognition. Disney's success should serve as a model and catalyst for other companies that could benefit from doing business with minority-owned companies.

Recently, a trade publication, *The Minority Times & Small Business News* highlighted Disney's support of minority- and women-owned businesses. Although the article focused on Disney's success, the underlying message was, a lot more needs to be done by the corporate community. African-Americans comprise 12 percent of our Nation's population, however, minority businesses represent only 9 percent of total business, 4 percent of gross receipts, and 1 to 2 percent of total corporate purchases. The National Minority Supplier Development Council [NMSDC] has more than 15,000 certified minority businesses which currently handle major contracts for corporations. The Disney Co. has worked closely with NMSDC to maintain its minority business profile.

I am happy to advise my House colleagues that the company that has entertained hundreds of millions of movie fans and theme park attendees, is engaged in socially responsible and mutually beneficial business contracts with minority firms. I hope other companies will follow Disney's lead and contribute to an enhanced national and minority business economy.

#### **A FEW GOOD MEN WHO HAPPEN TO BE LAWYERS**

##### **HON. JAMES A. LEACH**

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 16, 1994*

Mr. LEACH. Mr. Speaker, one of the most interesting precedential aspects of the new independent counsel designation is that the three judge panel that selected Judge Kenneth Starr ruled that, to avoid the appearance of partiality, it could not appoint Robert Fiske as independent counsel because he had originally been selected as special counsel for the same probe by the executive branch. As someone who has closely followed the Whitewater investigation, I would like to emphasize that the criteria of individual independence established by the judicial panel was a surprise to me. In my floor statement on passage of the independent counsel statute I indicated my high regard for Mr. Fiske and my assumption that most in the legislative branch presumed his reappointment. Nonetheless, the panel's decision appears rooted in a desire to underscore that the judicial branch is itself independent. As the panel noted, its decision was not intended to reflect on the personal integrity of Mr. Fiske or his philosophical or political leanings.

What is missed in the hullabaloo of some in my party who doubted Robert Fiske and some in the Democratic Party who doubt his re-

placement, Kenneth Starr, is that the facts of the case, or cases, will speak for themselves and that the facts are being marshalled by a group of exceptional attorneys assembled by Mr. Fiske and a larger number of FBI agents provided by the Department of Justice. The top man has the responsibilities of organizing the probe and for leading prosecutorial efforts if appropriate. But I would be extremely doubtful, at least with regard to the Arkansas aspect of this investigation, that Mr. Starr will reach any substantial conclusions Mr. Fiske wouldn't have.

It is key to understand that the issue isn't whether one counsel has a political background more liberal, moderate or conservative than the other. Nor whether one was well acquainted with the former White House counsel and the other with the chief judge of the ad hoc panel that named him. The issue is how qualified and how honorable the individuals chosen for the tasks assigned them are.

In this regard, the reputations of Robert Fiske and Kenneth Starr are each impeccable. Mr. Fiske is a former U.S. attorney with extensive prosecutorial experience; Mr. Starr, who like Archibald Cox was a former Solicitor General of the party out of power, has greater judicial experience. Each has an impressive background; each is of unimpeachable character.

In his tenure in office, Mr. Fiske met his constitutional obligations well and faithfully. Mr. Starr can be expected to as well. Just as Mr. Fiske refused to be swayed by critics in the Republican Party on his judgment about the suicide of Vincent Foster, Mr. Starr is unlikely to be deterred from a straightforward assessment of the evidence by the comments of Democratic partisans or presidential lawyers.

Good men and women can be expected to do a good job and to do so in such a way that accountability is provided for wrongdoing and reputations are protected for those who have not violated the law. The probe should continue without further second guessing of the motives of the individuals who have been given such heavy responsibility for such a sensitive investigation.

In this regard, it is impressive how loyal the staff Mr. Fiske put together has been to him; but it would be tragic if, as is hinted, many feel obligated to resign due to the judicial panel's decision. This would be unfortunate because not only is continuity of effort at issue, but so is confidence in the independence and integrity of the probe. It is believed that much of the underlying investigatory effort related to the failure of Madison Guaranty has been completed and that decisions on how to proceed will soon be at hand. Hopefully the majority of the investigative team will remain to see the process completed.

Finally, a note about the new White House counsel, Abner Mikva. While on a political spectrum Mr. Starr might be described as a conservative, Mr. Fiske a moderate, and Judge Mikva a liberal, each share extraordinary personal qualities that have garnered the respect of all who have worked with them. Of these, the only one I have come to know on a personal basis as a colleague is Abner Mikva. He is an individual who will bring to the White House intellect, integrity and, not inconsequentially, experience. Mr. Cutler, at personal sacrifice, helped stabilize the White

House with his mature judgment and steadfast calm. Judge Mikva, who comes from the same D.C. Court of Appeals that Mr. Starr served on, can likewise be expected to bring it new strength.

The Whitewater circumstance has unique thickets. Therefore, it is important that the American people have confidence they are served by people of integrity.

It may be the fashion to make jokes about the legal profession, but these four attorneys—Robert Fiske, Kenneth Starr, Lloyd Cutler, and Abner Mikva—bring great credit to their profession. They ennoble public service.

### TRIBUTE TO SPORTS ILLUSTRATED

#### HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1994

Mr. MANTON. Mr. Speaker, I rise today to pay tribute to Sports Illustrated, our Nation's only sports newsweekly, on its 40th anniversary. For the past 40 years, men and women of all ages have turned to Sports Illustrated every week for their sports information. Today more than 24 million men and women are readers of this magazine. I commend Sports Illustrated today for the effort they have put forth to give this country a weekly magazine filled with entertainment and information surrounding sports.

Sports Illustrated has been the recipient of a number of prestigious writing awards including the National Magazine Award for Feature Writing in 1992; National Magazine Award for General Excellence in 1989 and 1990. Sports Illustrated was the first magazine in the one-million-plus category to win the award twice. In addition, Sports Illustrated was the winner of the Magazine-Week Publishing Excellence Award in the News category in 1990 and 1991; winner of the 1990 Excellence in Sports Journalism Award for Print, sponsored by the Northeastern University and the Center for the

Study of Sports in Society; and named the "best men's magazine" in the Washington Journalism Review "Best In The Business" readers poll for 1991.

Forty years ago, Sports Illustrated photographer mark Kauffman introduce the new readers to a scene during a night game at County Stadium in Milwaukee between the Braves and the New York Giants. Included in this scene were Braves third baseman Eddie Mathews, Giants catcher Wes Westrum, and umpire Augie Donatelli. The lead story, written by Paul O'Neil, was about the "mile of the century" where England's Roger Bannister and Australia's John Landy became the first two men in history to break the 4-minute mile mark in the same race. Sports Illustrated continues to bring its readers award winning photography and high quality sports writing.

Although Sports Illustrated had its shaky beginnings, its circulation rate base today of 3, 150,000 reflects the following they have accumulated in the past and continue to keep today.

The importance of the Olympic games as a significant sporting event not only in the eyes of advertisers but in the American public was reflected by the coverage of Sports Illustrated. The magazine was a sponsor of the 1980 Winter Games in Lake Placid as well as the Winter Games in Sarajevo and Olympic Games in Los Angeles in 1984. In addition, Sports Illustrated joined The Olympic Program [TOP] in 1988 as a worldwide sponsor of the Winter Games in Calgary and Olympic Games in Seoul. In 1992, Sports Illustrated for Kids became a sponsor of the Winter Games in Albertville and the Olympic Games in Barcelona. Recently, Sports Illustrated renewed its affiliations with TOP and signed on as sponsors for the 1994 Winter Games held in Lillehammer and the 1996 Centennial Olympics to be held in Atlanta.

In addition to its award winning photography and sports journalism, Sports Illustrated has touched on some very important social issues facing our Nation and our world. The magazine over the years has done stories such as the series in 1968 entitled "The Revolt of the

Black Athlete" as well as stories exposing the dangers of steroid use, drug abuse, and eating disorders faced by our young athletes. Articles such as these are examples of how Sports Illustrated has enabled their readers to become aware of the social impact of sports and those who are involved in them.

As Sports Illustrated moves into the future, it employs the latest in high-tech production equipment not only to provide readers with dynamic graphic presentations, but also to afford its audience more late-breaking news coverage. Special commemorative issues honoring championship teams in all sports—college and professional—have also been introduced to its readers including one for the New York Rangers after they won the Stanley Cup this year.

Sports Illustrated for Kids is celebrating its 5th anniversary this year as well. This is a magazine geared toward children 8 years old and up. The "Reading Team" is the largest literacy program of its kind in the country in which 250,000 copies of the magazine are donated to 10,000 fourth, fifth, and sixth grade classrooms nationwide during the school year.

Other innovations have allowed Sports Illustrated to expand well beyond the pages of their magazine. Sports Illustrated Television is responsible for television programming for Sports Illustrated Kids and Sports Illustrated as well as for Time Warner, Inc.'s impending full service network. This year, ABC's Wide World of Sports has aired Sports Illustrated news and feature reports produced by Sports Illustrated Television. Sports Illustrated hopes to be an essential source of information to their viewers just as they have been to their readers in the past 40 years.

Mr. Speaker, Sports Illustrated symbolizes the importance of sports in the lives of so many Americans. I know my colleagues join me in congratulating Sports Illustrated today for 40 years of successful journalism and for continued prosperity into the future.